

State of Iowa

Iowa

Administrative

Code

Supplement

Biweekly
October 28, 2015



STEPHANIE A. HOFF
ADMINISTRATIVE CODE EDITOR

Published by the
STATE OF IOWA
UNDER AUTHORITY OF IOWA CODE SECTION 17A.6

The Iowa Administrative Code Supplement is published biweekly pursuant to Iowa Code section 17A.6. The Supplement contains replacement chapters to be inserted in the loose-leaf Iowa Administrative Code (IAC) according to instructions included with each Supplement. The replacement chapters incorporate rule changes which have been adopted by the agencies and filed with the Administrative Rules Coordinator as provided in Iowa Code sections 7.17 and 17A.4 to 17A.6. To determine the specific changes in the rules, refer to the Iowa Administrative Bulletin bearing the same publication date.

In addition to the changes adopted by agencies, the replacement chapters may reflect objection to a rule or a portion of a rule filed by the Administrative Rules Review Committee (ARRC), the Governor, or the Attorney General pursuant to Iowa Code section 17A.4(6); an effective date delay imposed by the ARRC pursuant to section 17A.4(7) or 17A.8(9); rescission of a rule by the Governor pursuant to section 17A.4(8); or nullification of a rule by the General Assembly pursuant to Article III, section 40, of the Constitution of the State of Iowa.

The Supplement may also contain replacement pages for the IAC Index or the Uniform Rules on Agency Procedure.

INSTRUCTIONS

FOR UPDATING THE

IOWA ADMINISTRATIVE CODE

Agency names and numbers in bold below correspond to the divider tabs in the IAC binders. New and replacement chapters included in this Supplement are listed below. Carefully remove and insert chapters accordingly.

Editor's telephone (515)281-3355 or (515)242-6873

Insurance Division[191]

Replace Analysis
Replace Chapter 20

Iowa Finance Authority[265]

Replace Chapter 12
Replace Chapter 44

College Student Aid Commission[283]

Replace Analysis
Replace Chapters 8 and 9
Remove Reserved Chapters 10 and 11
Insert Chapter 10 and Reserved Chapter 11
Replace Chapters 12 and 13
Replace Chapters 17 and 18
Replace Chapter 20
Replace Chapters 22 to 25
Replace Chapter 28
Replace Chapter 32
Replace Chapter 36

Inspections and Appeals Department[481]

Replace Chapter 25

Homeland Security and Emergency Management Department[605]

Replace Chapter 14

Nursing Board[655]

Replace Analysis
Insert Chapter 19

INSURANCE DIVISION[191]

[Prior to 10/22/86, see Insurance Department[510], renamed Insurance Division[191] under the “umbrella” of Department of Commerce by the 1986 Iowa Acts, Senate File 2175]

*ORGANIZATION AND PROCEDURES***CHAPTER 1****ORGANIZATION OF DIVISION**

- 1.1(502,505) Organization
- 1.2(502,505) Location and contact information
- 1.3(22,502,505) Public information and inspection of records
- 1.4(505) Service of process

CHAPTER 2**DECLARATORY ORDERS**

- 2.1(17A) Petition for declaratory order
- 2.2(17A) Notice of petition
- 2.3(17A) Intervention
- 2.4(17A) Briefs
- 2.5(17A) Inquiries
- 2.6(17A) Service and filing of petitions and other papers
- 2.7(17A) Consideration
- 2.8(17A) Action on petition
- 2.9(17A) Refusal to issue order
- 2.10(17A) Contents of declaratory order—effective date
- 2.11(17A) Copies of orders
- 2.12(17A) Effect of a declaratory order

CHAPTER 3**CONTESTED CASES**

- 3.1(17A) Scope and applicability
- 3.2(17A) Definitions
- 3.3(17A) Time requirements
- 3.4(17A) Requests for contested case proceeding
- 3.5(17A) Commencement of hearing; notice
- 3.6(17A) Presiding officer
- 3.7(17A) Waiver of procedures
- 3.8(17A) Telephone proceedings
- 3.9(17A) Disqualification
- 3.10(17A) Consolidation—severance
- 3.11(17A) Pleadings
- 3.12(17A) Service and filing of pleadings and other papers
- 3.13(17A) Discovery
- 3.14(17A) Subpoenas
- 3.15(17A) Motions
- 3.16(17A) Prehearing conference
- 3.17(17A) Continuances
- 3.18(17A) Withdrawals
- 3.19(17A) Intervention
- 3.20(17A) Hearing procedures
- 3.21(17A) Evidence
- 3.22(17A) Default
- 3.23(17A) Ex parte communication
- 3.24(17A) Recording costs

3.25(17A)	Interlocutory appeals
3.26(17A)	Final decision
3.27(17A)	Appeals and review
3.28(17A)	Applications for rehearing
3.29(17A)	Stay of agency action
3.30(17A)	No factual dispute contested cases
3.31(17A)	Emergency adjudicative proceedings
3.32(502,505,507B)	Summary cease and desist orders
3.33(17A,502,505)	Informal settlement
3.34(17A,502,505)	Witness fees

CHAPTER 4

AGENCY PROCEDURE FOR RULE MAKING AND WAIVER OF RULES

DIVISION I

AGENCY PROCEDURE FOR RULE MAKING

4.1(17A)	Applicability
4.2(17A)	Advice on possible rules before notice of proposed rule adoption
4.3(17A)	Public rule-making docket
4.4(17A)	Notice of proposed rule making
4.5(17A)	Public participation
4.6(17A)	Regulatory analysis
4.7(17A,25B)	Fiscal impact statement
4.8(17A)	Time and manner of rule adoption
4.9(17A)	Variance between adopted rule and rule proposed in Notice of Intended Action
4.10(17A)	Exemptions from public rule-making procedures
4.11(17A)	Concise statement of reasons
4.12(17A)	Contents, style, and form of rule
4.13(17A)	Agency rule-making record
4.14(17A)	Filing of rules
4.15(17A)	Effectiveness of rules prior to publication
4.16(17A)	General statements of policy
4.17(17A)	Review of rules by division
4.18(17A)	Petition for rule making
4.19 and 4.20	Reserved

DIVISION II

WAIVER AND VARIANCE RULES

4.21(17A)	Definition
4.22(17A)	Scope
4.23(17A)	Applicability of Division II of Chapter 4
4.24(17A)	Criteria for waiver or variance
4.25(17A)	Filing of petition
4.26(17A)	Content of petition
4.27(17A)	Additional information
4.28(17A)	Notice
4.29(17A)	Hearing procedures
4.30(17A)	Ruling
4.31(17A)	Public availability
4.32(17A)	Summary reports
4.33(17A)	Cancellation of a waiver
4.34(17A)	Violations
4.35(17A)	Defense
4.36(17A)	Judicial review

REGULATION OF INSURERS

CHAPTER 5

REGULATION OF INSURERS—GENERAL PROVISIONS

- 5.1(507) Examination reports
- 5.2(505,507) Examination for admission
- 5.3(507,508,515) Submission of quarterly financial information
- 5.4(505,508,515,520) Surplus notes
- 5.5(505,515,520) Maximum allowable premium volume
- 5.6(505,515,520) Treatment of various items on the financial statement
- 5.7(505) Ordering withdrawal of domestic insurers from states
- 5.8(505) Monitoring
- 5.9(505) Rate and form filings
- 5.10(511) Life companies—permissible investments
- 5.11(511) Investment of funds
- 5.12(515) Collateral loans
- 5.13(508,515) Loans to officers, directors, employees, etc.
- 5.14 Reserved
- 5.15(508,512B,514,514B,515,520) Accounting practices and procedures manual and annual statement instructions
- 5.16 to 5.19 Reserved
- 5.20(508) Computation of reserves

UNEARNED PREMIUM RESERVES ON MORTGAGE GUARANTY INSURANCE POLICIES

- 5.21(515C) Unearned premium reserve factors
- 5.22(515C) Contingency reserve
- 5.23(507C) Standards
- 5.24(507C) Commissioner's authority
- 5.25 Reserved
- 5.26(508,515) Participation in the NAIC Insurance Regulatory Information System
- 5.27(508,515,520) Asset valuation
- 5.28(508,515,520) Risk-based capital and surplus
- 5.29(508,515) Actuarial certification of reserves
- 5.30(515) Single maximum risk—fidelity and surety risks
- 5.31(515) Reinsurance contracts
- 5.32(511,515) Investments in medium grade and lower grade obligations
- 5.33(510) Credit for reinsurance
- 5.34(508) Actuarial opinion and memorandum
- 5.35 to 5.39 Reserved
- 5.40(515) Premium tax
- 5.41(508) Tax on gross premiums—life companies
- 5.42(432) Cash refund of premium tax
- 5.43(510) Managing general agents

DISCLOSURE OF MORTGAGE LOAN APPLICATIONS

- 5.44 to 5.49 Reserved
- 5.50(535A) Purpose
- 5.51(535A) Definitions
- 5.52(535A) Filing of reports
- 5.53(535A) Form and content of reports
- 5.54(535A) Additional information required
- 5.55(535A) Written complaints

CHAPTER 6 ORGANIZATION OF DOMESTIC INSURANCE COMPANIES

- 6.1(506) Definitions
- 6.2(506) Promoters contributions
- 6.3(506) Escrow
- 6.4(506) Alienation
- 6.5(506) Sales to promoters
- 6.6(506) Options
- 6.7(506) Qualifications of management
- 6.8(506) Chief executive
- 6.9(506) Directors

CHAPTER 7 DOMESTIC STOCK INSURERS PROXIES

PROXY REGULATIONS

- 7.1(523) Application of regulation
- 7.2(523) Proxies, consents and authorizations
- 7.3(523) Disclosure of equivalent information
- 7.4(523) Definitions
- 7.5(523) Information to be furnished to stockholders
- 7.6(523) Requirements as to proxy
- 7.7(523) Material required to be filed
- 7.8(523) False or misleading statements
- 7.9(523) Prohibition of certain solicitations
- 7.10(523) Special provisions applicable to election contests

SCHEDULE A INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE B INFORMATION TO BE INCLUDED IN STATEMENTS FILED BY OR ON BEHALF OF A PARTICIPANT (OTHER THAN THE INSURER) IN A PROXY SOLICITATION IN AN ELECTION CONTEST

POLICYHOLDER PROXY SOLICITATION

- 7.11(523) Application
- 7.12(523) Conditions—revocation
- 7.13(523) Filing proxy
- 7.14(523) Solicitation by agents—use of funds
- 7.15 to 7.19 Reserved

STOCK TRANSACTION REPORTING

- 7.20(523) Statement of changes of beneficial ownership of securities

CHAPTER 8 BENEVOLENT ASSOCIATIONS

- 8.1 and 8.2 Reserved
- 8.3(512A) Organization
- 8.4(512A) Membership
- 8.5(512A) Fees, dues and assessments
- 8.6(512A) Reserve fund
- 8.7(512A) Certificates
- 8.8(512A) Beneficiaries
- 8.9(512A) Mergers
- 8.10(512A) Directors and officers

- 8.11(512A) Stockholders
- 8.12(512A) Bookkeeping and accounts

CHAPTER 9

Reserved

INSURANCE PRODUCERS

CHAPTER 10

LICENSING OF INSURANCE PRODUCERS

DIVISION I

LICENSING OF INSURANCE PRODUCERS

- 10.1(522B) Purpose and authority
- 10.2(522B) Definitions
- 10.3(522B) Requirement to hold a license
- 10.4(522B) Licensing of resident producers
- 10.5(522B) Licensing of nonresident producers
- 10.6(522B) Issuance of license
- 10.7(522B) License lines of authority
- 10.8(522B) License renewal
- 10.9(522B) License reinstatement
- 10.10(522B) Reinstatement or reissuance of a license after suspension, revocation or forfeiture in connection with disciplinary matters; and forfeiture in lieu of compliance
- 10.11(522B) Temporary licenses
- 10.12(522B) Change in name, address or state of residence
- 10.13(522B) Reporting of actions
- 10.14(522B) Commissions and referral fees
- 10.15(522B) Appointments
- 10.16(522B) Appointment renewal
- 10.17(522B) Appointment terminations
- 10.18(522B) Licensing of a business entity
- 10.19(522B) Use of senior-specific certifications and professional designations in the sale of life insurance and annuities
- 10.20(522B) Violations and penalties
- 10.21(252J) Suspension for failure to pay child support
- 10.22(261) Suspension for failure to pay student loan
- 10.23(82GA,SF2428) Suspension for failure to pay state debt
- 10.24(522B) Administration of examinations
- 10.25(522B) Forms
- 10.26(522B) Fees
- 10.27 to 10.50 Reserved

DIVISION II

LICENSING OF CAR RENTAL COMPANIES AND EMPLOYEES

- 10.51(522A) Purpose
- 10.52(522A) Definitions
- 10.53(522A) Requirement to hold a license
- 10.54(522A) Limited licensee application process
- 10.55(522A) Counter employee licenses
- 10.56(522A) Duties of limited licensees
- 10.57(522A) License renewal
- 10.58(522A) Limitation on fees
- 10.59(522A) Change in name or address
- 10.60(522A) Violations and penalties

CHAPTER 11 CONTINUING EDUCATION FOR INSURANCE PRODUCERS

- 11.1(505,522B) Statutory authority—purpose—applicability
- 11.2(505,522B) Definitions
- 11.3(505,522B) Continuing education requirements for producers
- 11.4(505,522B) Proof of completion of continuing education requirements
- 11.5(505,522B) Course approval
- 11.6(505,522B) Topic guidelines
- 11.7(505,522B) CE course renewal
- 11.8(505,522B) Appeals
- 11.9(505,522B) CE provider approval
- 11.10(505,522B) CE provider's responsibilities
- 11.11(505,522B) Prohibited conduct—CE providers
- 11.12(505,522B) Outside vendor
- 11.13(505,522B) CE course audits
- 11.14(505,522B) Fees and costs

CHAPTER 12 PORT OF ENTRY REQUIREMENTS

- 12.1(508,515) Purpose
- 12.2(508,515) Trust and other admission requirements
- 12.3(508,515) Examination and preferred supervision
- 12.4(508,515) Surplus required
- 12.5(508,515) Investments

CHAPTER 13 CONSENT FOR PROHIBITED PERSONS TO ENGAGE IN THE BUSINESS OF INSURANCE

- 13.1(505,522B) Purpose and authority
- 13.2(505,522B) Definitions
- 13.3(505,522B) Requirement for prohibited persons to obtain consent
- 13.4(505,522B) Applications for consent
- 13.5(505,522B) Consideration of applications for consent
- 13.6(505,522B) Review of application by the division
- 13.7(505,522B) Consent effective for specified positions and responsibilities only
- 13.8(505,522B) Change in circumstances
- 13.9(505,522B) Burden of proof
- 13.10(505,522B) Violations and penalties

UNFAIR TRADE PRACTICES

CHAPTER 14 LIFE INSURANCE ILLUSTRATIONS MODEL REGULATION

- 14.1(507B) Purpose
- 14.2(507B) Authority
- 14.3(507B) Applicability and scope
- 14.4(507B) Definitions
- 14.5(507B) Policies to be illustrated
- 14.6(507B) General rules and prohibitions
- 14.7(507B) Standards for basic illustrations
- 14.8(507B) Standards for supplemental illustrations
- 14.9(507B) Delivery of illustration and record retention

14.10(507B)	Annual report; notice to policyowners
14.11(507B)	Annual certifications
14.12(507B)	Penalties
14.13(507B)	Separability
14.14(507B)	Effective date

CHAPTER 15 UNFAIR TRADE PRACTICES

DIVISION I SALES PRACTICES

15.1(507B)	Purpose
15.2(507B)	Definitions
15.3(507B)	Advertising
15.4(507B)	Life insurance cost and benefit disclosure requirements
15.5(507B)	Health insurance sales to individuals 65 years of age or older
15.6(507B)	Preneed funeral contracts or prearrangements
15.7(507B)	Twisting prohibited
15.8(507B)	Producer responsibilities
15.9(507B)	Right to return a life insurance policy or annuity (free look)
15.10(507B)	Uninsured/underinsured automobile coverage—notice required
15.11(507B)	Unfair discrimination
15.12(507B)	Testing restrictions of insurance applications for the human immunodeficiency virus
15.13(507B)	Records maintenance
15.14(505,507B)	Enforcement section—cease and desist and penalty orders
15.15 to 15.30	Reserved

DIVISION II CLAIMS

15.31(507B)	General claims settlement guidelines
15.32(507B)	Prompt payment of certain health claims
15.33(507B)	Audit procedures for medical claims
15.34 to 15.40	Reserved
15.41(507B)	Claims settlement guidelines for property and casualty insurance
15.42(507B)	Acknowledgment of communications by property and casualty insurers
15.43(507B)	Standards for settlement of automobile insurance claims
15.44(507B)	Standards for determining replacement cost and actual cost values
15.45(507B)	Guidelines for use of aftermarket crash parts in motor vehicles
15.46 to 15.50	Reserved

DIVISION III DISCLOSURE FOR SMALL FACE AMOUNT LIFE INSURANCE POLICIES

15.51(507B)	Purpose
15.52(507B)	Definition
15.53(507B)	Exemptions
15.54(507B)	Disclosure requirements
15.55(507B)	Insurer duties
15.56 to 15.60	Reserved

DIVISION IV ANNUITY DISCLOSURE REQUIREMENTS

15.61(507B)	Purpose
15.62(507B)	Applicability and scope
15.63(507B)	Definitions
15.64(507B)	Standards for the disclosure document and Buyer's Guide

15.65(507B)	Content of disclosure documents
15.66(507B)	Standards for annuity illustrations
15.67(507B)	Report to contract owners
15.68(507B)	Penalties
15.69(507B)	Severability
15.70 and 15.71	Reserved

DIVISION V
SUITABILITY IN ANNUITY TRANSACTIONS

15.72(507B)	Purpose
15.73(507B)	Applicability and scope
15.74(507B)	Definitions
15.75(507B)	Duties of insurers and of insurance producers
15.76(507B)	Insurance producer training
15.77(507B)	Compliance; mitigation; penalties
15.78(507B)	Record keeping
15.79	Reserved

DIVISION VI
INDEXED PRODUCTS TRAINING REQUIREMENT

15.80(507B,522B)	Purpose
15.81(507B,522B)	Definitions
15.82(507B,522B)	Special training required
15.83(507B,522B)	Conduct of training course
15.84(507B,522B)	Insurer duties
15.85(507B,522B)	Verification of training
15.86(507B,522B)	Penalties
15.87(507B,522B)	Compliance date

CHAPTER 16
REPLACEMENT OF LIFE INSURANCE AND ANNUITIES

DIVISION I

16.1 to 16.20	Reserved
---------------	----------

DIVISION II

16.21(507B)	Purpose
16.22(507B)	Definitions
16.23(507B)	Exemptions
16.24(507B)	Duties of producers
16.25(507B)	Duties of all insurers that use producers on or after January 1, 2001
16.26(507B)	Duties of replacing insurers that use producers
16.27(507B)	Duties of the existing insurer
16.28(507B)	Duties of insurers with respect to direct-response solicitations
16.29(507B)	Violations and penalties
16.30(507B)	Severability

CHAPTER 17
LIFE AND HEALTH REINSURANCE AGREEMENTS

17.1(508)	Authority and purpose
17.2(508)	Scope
17.3(508)	Accounting requirements
17.4(508)	Written agreements
17.5(508)	Existing agreements

CHAPTERS 18 and 19

Reserved

PROPERTY AND CASUALTY INSURANCE

CHAPTER 20

PROPERTY AND CASUALTY INSURANCE

DIVISION I

FORM AND RATE REQUIREMENTS

20.1(505,509,514A,515,515A,515F)	General filing requirements
20.2(505)	Objection to filing
20.3	Reserved
20.4(505,509,514A,515,515A,515F)	Policy form filing
20.5(515A)	Rate or manual rule filing
20.6(515A)	Exemption from filing requirement
20.7	Reserved
20.8(515F)	Rate filings for crop-hail insurance
20.9 and 20.10	Reserved
20.11(515)	Exemption from form and rate filing requirements
20.12 to 20.40	Reserved

DIVISION II

IOWA FAIR PLAN ACT

20.41(515,515F)	Purpose
20.42(515,515F)	Scope
20.43(515,515F)	Definitions
20.44(515,515F)	Eligible risks
20.45(515,515F)	Membership
20.46(515,515F)	Administration
20.47(515,515F)	Duties of the governing committee
20.48(515,515F)	Annual and special meetings
20.49(515,515F)	Application for insurance
20.50(515,515F)	Inspection procedure
20.51(515,515F)	Procedure after inspection and receipt of application
20.52(515,515F)	Reasonable underwriting standards for property coverage
20.53(515,515F)	Reasonable underwriting standards for liability coverage
20.54(515,515F)	Cancellation; nonrenewal and limitations; review of eligibility
20.55(515,515F)	Assessments
20.56(515,515F)	Commission
20.57(515,515F)	Public education
20.58(515,515F)	Cooperation and authority of producers
20.59(515,515F)	Review by commissioner
20.60(515,515F)	Indemnification
20.61 to 20.69	Reserved

DIVISION III

CERTIFICATES OF INSURANCE FOR COMMERCIAL LENDING TRANSACTIONS

20.70(515)	Purpose
20.71(515)	Definitions
20.72(515)	Evidence of insurance
20.73 to 20.79	Reserved

DIVISION IV
CANCELLATIONS, NONRENEWALS AND TERMINATIONS

20.80(505B,515,515D,518,518A,519) Notice of cancellation, nonrenewal or termination of property
and casualty insurance

CHAPTER 21
REQUIREMENTS FOR EXCESS AND SURPLUS LINES,
RISK RETENTION GROUPS AND PURCHASING GROUPS

- 21.1(515) Definitions
- 21.2(515) Qualified surplus lines carriers' duties
- 21.3(515) Producers' duties
- 21.4(515) Producers' duty to insured; evidence of coverage
- 21.5(515) Procedures for qualification and renewal of a nonadmitted insurer as a qualified
surplus lines carrier
- 21.6(515E) Risk retention groups
- 21.7(515E) Procedures for qualification as a risk retention group
- 21.8(515E) Procedures for qualification as a purchasing group
- 21.9(515,515E) Failure to comply; penalties

CHAPTER 22
FINANCIAL GUARANTY INSURANCE

- 22.1(515C) Definitions
- 22.2(515) Financial requirements and reserves

CHAPTER 23
MOTOR VEHICLE SERVICE CONTRACTS

- 23.1(516E) Purpose
- 23.2(516E) Applicability and scope
- 23.3(516E) Application of insurance laws
- 23.4(516E) Administration
- 23.5(516E) Public access to hearings
- 23.6(516E) Public access to records
- 23.7(516E) Filing procedures
- 23.8(516E) Fees
- 23.9(516E) Forms
- 23.10(516E) Prohibited acts—unfair discrimination or trade practices
- 23.11(516E) Prohibited acts—unfair or deceptive trade practices involving used or rebuilt parts
- 23.12(516E) Violations
- 23.13(516E) Procedures for public complaints

CHAPTER 24
IOWA RETIREMENT FACILITIES

- 24.1(523D) Purpose
- 24.2(523D) Title
- 24.3(523D) Definitions
- 24.4(523D) Administration
- 24.5(523D) Misrepresentations
- 24.6(523D) Complaints
- 24.7(523D) Address for filings
- 24.8(523D) Fees
- 24.9(523D) Forms
- 24.10(523D) Financial statements, studies, and forecasts

- 24.11(523D) Amendments to the disclosure statement
- 24.12(523D) Standards for the disclosure statement

CHAPTER 25 MILITARY SALES PRACTICES

- 25.1(505) Purpose and authority
- 25.2(505) Scope
- 25.3(505) Exemptions
- 25.4(505) Definitions
- 25.5(505) Practices declared false, misleading, deceptive or unfair on a military installation
- 25.6(505) Practices declared false, misleading, deceptive or unfair regardless of location
- 25.7(505) Reporting requirements
- 25.8(505) Violation and penalties
- 25.9(505) Severability

CHAPTER 26 Reserved

CHAPTER 27 PREFERRED PROVIDER ARRANGEMENTS

- 27.1(514F) Purpose
- 27.2(514F) Definitions
- 27.3(514F) Preferred provider arrangements
- 27.4(514F) Health benefit plans
- 27.5(514F) Preferred provider participation requirements
- 27.6(514F) General requirements
- 27.7(514F) Civil penalties
- 27.8(514F) Health care insurer requirements

CHAPTER 28 CREDIT LIFE AND CREDIT ACCIDENT AND HEALTH INSURANCE

- 28.1(509) Purpose
- 28.2(509) Definitions
- 28.3(509) Rights and treatment of debtors
- 28.4(509) Policy forms and related material
- 28.5(509) Determination of reasonableness of benefits in relation to premium charge
- 28.6 Reserved
- 28.7(509) Credit life insurance rates
- 28.8(509) Credit accident and health insurance
- 28.9(509) Refund formulas
- 28.10(509) Experience reports and adjustment of prima facie rates
- 28.11(509) Use of rates—direct business only
- 28.12(509) Supervision of credit insurance operations
- 28.13(509) Prohibited transactions
- 28.14(509) Disclosure and readability
- 28.15(509) Severability
- 28.16(509) Effective date
- 28.17(509) Fifteen-day free examination

CHAPTER 29
CONTINUATION RIGHTS UNDER GROUP ACCIDENT
AND HEALTH INSURANCE POLICIES

- 29.1(509B) Definitions
- 29.2(509B) Notice regarding continuation rights
- 29.3(509B) Qualifying events for continuation rights
- 29.4(509B) Interplay between chapter 509B and COBRA
- 29.5(509B) Effective date for compliance

LIFE AND HEALTH INSURANCE

CHAPTER 30
LIFE INSURANCE POLICIES

- 30.1(508) Purpose
- 30.2(508) Scope
- 30.3(508) Definitions
- 30.4(508) Prohibitions, regulations and disclosure requirements
- 30.5(508) General filing requirements
- 30.6(508) Back dating of life policies
- 30.7(508,515) Expiration date of policy vs. charter expiration date
- 30.8(509) Electronic delivery of group life insurance certificates
- 30.9(505,508) Notice of cancellation, forfeiture, lapse, nonrenewal or termination of life insurance and annuities

CHAPTER 31
LIFE INSURANCE COMPANIES—VARIABLE ANNUITIES CONTRACTS

- 31.1(508) Definitions
- 31.2(508) Insurance company qualifications
- 31.3(508) Filing, policy forms and provision
- 31.4(508) Separate account or accounts and investments
- 31.5(508) Required reports
- 31.6(508) Producers
- 31.7(508) Foreign companies

CHAPTER 32
DEPOSITS BY A DOMESTIC LIFE COMPANY IN A
CUSTODIAN BANK OR CLEARING CORPORATION

- 32.1(508) Purpose
- 32.2(508) Definitions
- 32.3(508) Requirements upon custodial account and custodial agreement
- 32.4(508) Requirements upon custodians
- 32.5(508,511) Deposit of securities

CHAPTER 33
VARIABLE LIFE INSURANCE MODEL REGULATION

- 33.1(508A) Authority
- 33.2(508A) Definitions
- 33.3(508A) Qualification of insurer to issue variable life insurance
- 33.4(508A) Insurance policy requirements
- 33.5(508A) Reserve liabilities for variable life insurance
- 33.6(508A) Separate accounts
- 33.7(508A) Information furnished to applicants
- 33.8(508A) Applications
- 33.9(508A) Reports to policyholders

- 33.10(508A) Foreign companies
- 33.11 Reserved
- 33.12(508A) Separability article

CHAPTER 34

NONPROFIT HEALTH SERVICE CORPORATIONS

- 34.1(514) Purpose
- 34.2(514) Definitions
- 34.3(514) Annual report requirements
- 34.4(514) Arbitration
- 34.5(514) Filing requirements
- 34.6(514) Participating hospital contracts
- 34.7(514) Composition, nomination, and election of board of directors

CHAPTER 35

ACCIDENT AND HEALTH INSURANCE

BLANKET ACCIDENT AND SICKNESS INSURANCE

- 35.1(509) Purpose
- 35.2(509) Scope
- 35.3(509) Definitions
- 35.4(509) Required provisions
- 35.5(509) Application and certificates not required
- 35.6(509) Facility of payment
- 35.7(509) General filing requirements
- 35.8(509) Electronic delivery of accident and health group insurance certificates

GENERAL ACCIDENT AND HEALTH INSURANCE REQUIREMENTS

- 35.9(509B,513B,514D) Notice of cancellation, rescission, discontinuance or termination of accident and health insurance
- 35.10 to 35.19 Reserved
- 35.20(509A) Life and health self-funded plans
- 35.21(509) Review of certificates issued under group policies

LARGE GROUP HEALTH INSURANCE COVERAGE

- 35.22(509) Purpose
- 35.23(509) Definitions
- 35.24(509) Eligibility to enroll
- 35.25(509) Special enrollments
- 35.26(509) Group health insurance coverage policy requirements
- 35.27(509) Methods of counting creditable coverage
- 35.28(509) Certificates of creditable coverage
- 35.29(509) Notification requirements
- 35.30 Reserved
- 35.31(509) Disclosure requirements
- 35.32(514C) Treatment options
- 35.33(514C) Emergency services
- 35.34(514C) Provider access
- 35.35(509) Reconstructive surgery

CONSUMER GUIDE

- 35.36(514K) Purpose
- 35.37(514K) Information filing requirements
- 35.38(514K) Limitation of information published

- 35.39(514C) Contraceptive coverage
- 35.40(514C) Autism spectrum disorders coverage

CHAPTER 36

INDIVIDUAL ACCIDENT AND HEALTH—MINIMUM STANDARDS AND RATE HEARINGS

DIVISION I MINIMUM STANDARDS

- 36.1(514D) Purpose
- 36.2(514D) Applicability and scope
- 36.3(514D) Effective date
- 36.4(514D) Policy definitions
- 36.5(514D) Prohibited policy provisions
- 36.6(514D) Accident and sickness minimum standards for benefits
- 36.7(514D) Required disclosure provisions
- 36.8(507B) Requirements for replacement
- 36.9(514D) Filing requirements
- 36.10(514D) Loss ratios
- 36.11(514D) Certification
- 36.12(514D) Severability
- 36.13(513C,514D) Individual health insurance coverage for children under the age of 19
- 36.14 to 36.19 Reserved

DIVISION II RATE HEARINGS

- 36.20(514D,83GA,SF2201) Rate hearings

CHAPTER 37

MEDICARE SUPPLEMENT INSURANCE

DIVISION I MEDICARE SUPPLEMENT INSURANCE MINIMUM STANDARDS

- 37.1(514D) Purpose
- 37.2(514D) Applicability and scope
- 37.3(514D) Definitions
- 37.4(514D) Policy definitions and terms
- 37.5(514D) Policy provisions
- 37.6(514D) Minimum benefit standards for prestandardized Medicare supplement benefit plan policies or certificates issued for delivery prior to January 1, 1992
- 37.7(514D) Benefit standards for 1990 standardized Medicare supplement benefit plan policies or certificates issued for delivery on or after January 1, 1992, and with an effective date for coverage prior to June 1, 2010
- 37.8(514D) Benefit standards for 2010 standardized Medicare supplement benefit plan policies or certificates issued for delivery with an effective date for coverage on or after June 1, 2010
- 37.9(514D) Standard Medicare supplement benefit plans for 1990 standardized Medicare supplement benefit plan policies or certificates with an effective date for coverage prior to June 1, 2010
- 37.10(514D) Standard Medicare supplement benefit plans for 2010 standardized Medicare supplement benefit plan policies or certificates with an effective date for coverage on or after June 1, 2010
- 37.11(514D) Medicare Select policies and certificates
- 37.12(514D) Open enrollment
- 37.13(514D) Standards for claims payment

37.14(514D)	Loss ratio standards and refund or credit of premium
37.15(514D)	Filing and approval of policies and certificates and premium rates
37.16(514D)	Permitted compensation arrangements
37.17(514D)	Required disclosure provisions
37.18(514D)	Requirements for application forms and replacement coverage
37.19(514D)	Standards for marketing
37.20(514D)	Appropriateness of recommended purchase and excessive insurance
37.21(514D)	Reporting of multiple policies
37.22(514D)	Prohibition against preexisting conditions, waiting periods, elimination periods and probationary periods in replacement policies or certificates
37.23(514D)	Prohibition against use of genetic information and requests for genetic testing
37.24(514D)	Prohibition against using SHIP prepared materials
37.25(514D)	Guaranteed issue for eligible persons
37.26(514D)	Severability
37.27 to 37.49	Reserved

DIVISION II
MEDICARE SUPPLEMENT ADVERTISING

37.50(507B,514D)	Purpose
37.51(507B,514D)	Applicability
37.52(507B,514D)	Definitions
37.53(507B,514D)	Form and content of advertisements
37.54(507B,514D)	Testimonials or endorsements by third parties
37.55(507B,514D)	Use of statistics; jurisdictional licensing; status of insurer
37.56(507B,514D)	Identity of insurer
37.57(507B,514D)	Introductory, initial or special offers
37.58(507B,514D)	Enforcement procedures—certificate of compliance
37.59(507B,514D)	Filing for prior review

CHAPTER 38
COORDINATION OF BENEFITS

38.1 to 38.11	Reserved
---------------	----------

DIVISION II	
38.12(509,514)	Purpose and applicability
38.13(509,514)	Definitions
38.14(509,514)	Use of model COB contract provision
38.15(509,514)	Rules for coordination of benefits
38.16(509,514)	Procedure to be followed by secondary plan to calculate benefits and pay a claim
38.17(509,514)	Notice to covered persons
38.18(509,514)	Miscellaneous provisions

CHAPTER 39
LONG-TERM CARE INSURANCE

DIVISION I GENERAL PROVISIONS	
39.1(514G)	Purpose
39.2(514G)	Authority
39.3(514G)	Applicability and scope
39.4(514G)	Definitions
39.5(514G)	Policy definitions
39.6(514G)	Policy practices and provisions

39.7(514G)	Required disclosure provisions
39.8(514G)	Prohibition against postclaims underwriting
39.9(514D,514G)	Minimum standards for home health care benefits in long-term care insurance policies
39.10(514D,514G)	Requirement to offer inflation protection
39.11(514D,514G)	Requirements for application forms and replacement coverage
39.12(514G)	Reserve standards
39.13(514D)	Loss ratio
39.14(514G)	Filing requirement
39.15(514D,514G)	Standards for marketing
39.16(514D,514G)	Suitability
39.17(514G)	Prohibition against preexisting conditions and probationary periods in replacement policies or certificates
39.18(514G)	Standard format outline of coverage
39.19(514G)	Requirement to deliver shopper's guide
39.20(514G)	Policy summary and delivery of life insurance policies with long-term care riders
39.21(514G)	Reporting requirement for long-term care benefits funded through life insurance by acceleration of the death benefit
39.22(514G)	Unintentional lapse
39.23(514G)	Denial of claims
39.24(514G)	Incontestability period
39.25(514G)	Required disclosure of rating practices to consumers
39.26(514G)	Initial filing requirements
39.27(514G)	Reporting requirements
39.28(514G)	Premium rate schedule increases
39.29(514G)	Nonforfeiture
39.30(514G)	Standards for benefit triggers
39.31(514G)	Additional standards for benefit triggers for qualified long-term care insurance contracts
39.32(514G)	Penalties
39.33(514G)	Notice of cancellation, forfeiture, lapse or termination of long-term care insurance
39.34 to 39.40	Reserved

DIVISION II
INDEPENDENT REVIEW OF BENEFIT TRIGGER DETERMINATIONS

39.41(514G)	Purpose
39.42(514G)	Effective date
39.43(514G)	Definitions
39.44(514G)	Notice of benefit trigger determination and content
39.45(514G)	Notice of internal appeal decision and right to independent review
39.46(514G)	Independent review request
39.47(514G)	Certification process
39.48(514G)	Selection of independent review entity
39.49(514G)	Independent review process
39.50(514G)	Decision notification
39.51(514G)	Insurer information
39.52(514G)	Certification of independent review entity
39.53(514G)	Additional requirements
39.54(514G)	Toll-free telephone number
39.55(514G)	Insurance division application and reports
39.56 to 39.74	Reserved

DIVISION III
LONG-TERM CARE PARTNERSHIP PROGRAM

- 39.75(514H,83GA,HF723) Purpose
- 39.76(514H,83GA,HF723) Effective date
- 39.77(514H,83GA,HF723) Definitions
- 39.78(514H,83GA,HF723) Eligibility
- 39.79(514H,83GA,HF723) Discontinuance of partnership program
- 39.80(514H,83GA,HF723) Required disclosures
- 39.81(514H,83GA,HF723) Form filings
- 39.82(514H,83GA,HF723) Exchanges
- 39.83(514H,83GA,HF723) Required policy terms and disclosures
- 39.84(514H,83GA,HF723) Standards for marketing and suitability
- 39.85(514H,83GA,HF723) Required reports

CHAPTER 40
HEALTH MAINTENANCE ORGANIZATIONS

(Health and Insurance—Joint Rules)

- 40.1(514B) Definitions
- 40.2(514B) Application
- 40.3(514B) Inspection of evidence of coverage
- 40.4(514B) Governing body and enrollee representation
- 40.5(514B) Quality of care
- 40.6(514B) Change of name
- 40.7(514B) Change of ownership
- 40.8(514B) Termination of services
- 40.9(514B) Complaints
- 40.10(514B) Cancellation of enrollees
- 40.11(514B) Application for certificate of authority
- 40.12(514B) Net worth
- 40.13(514B) Fidelity bond
- 40.14(514B) Annual report
- 40.15(514B) Cash or asset management agreements
- 40.16 Reserved
- 40.17(514B) Reinsurance
- 40.18(514B) Provider contracts
- 40.19(514B) Producers' duties
- 40.20(514B) Emergency services
- 40.21(514B) Reimbursement
- 40.22(514B) Health maintenance organization requirements
- 40.23(514B) Disclosure requirements
- 40.24(514B) Provider access
- 40.25(514B) Electronic delivery of accident and health group insurance certificates
- 40.26(514B) Notice of cancellation, rescission, discontinuance or termination of enrollment

CHAPTER 41
LIMITED SERVICE ORGANIZATIONS

- 41.1(514B) Definitions
- 41.2(514B) Application
- 41.3(514B) Inspection of evidence of coverage
- 41.4(514B) Governing body and enrollee representation
- 41.5(514B) Quality of care
- 41.6(514B) Change of name

41.7(514B)	Change of ownership
41.8(514B)	Complaints
41.9(514B)	Cancellation of enrollees
41.10(514B)	Application for certificate of authority
41.11(514B)	Net equity and deposit requirements
41.12(514B)	Fidelity bond
41.13(514B)	Annual report
41.14(514B)	Cash or asset management agreements
41.15(514B)	Reinsurance
41.16(514B)	Provider contracts
41.17(514B)	Producers' duties
41.18(514B)	Emergency services
41.19(514B)	Reimbursement
41.20(514B)	Limited service organization requirements
41.21(514B)	Disclosure requirements

CHAPTER 42 GENDER-BLENDED MINIMUM NONFORFEITURE STANDARDS FOR LIFE INSURANCE

42.1(508)	Purpose
42.2(508)	Definitions
42.3(508)	Use of gender-blended mortality tables
42.4(508)	Unfair discrimination
42.5(508)	Separability
42.6(508)	2001 CSO Mortality Table

CHAPTER 43 ANNUITY MORTALITY TABLES FOR USE IN DETERMINING RESERVE LIABILITIES FOR ANNUITIES

43.1(508)	Purpose
43.2(508)	Definitions
43.3(508)	Individual annuity or pure endowment contracts
43.4(508)	Group annuity or pure endowment contracts
43.5(508)	Application of the 1994 GAR Table
43.6(508)	Application of the 2012 IAR Mortality Table
43.7(508)	Separability

CHAPTER 44 SMOKER/NONSMOKER MORTALITY TABLES FOR USE IN DETERMINING MINIMUM RESERVE LIABILITIES AND NONFORFEITURE BENEFITS

44.1(508)	Purpose
44.2(508)	Definitions
44.3(508)	Alternate tables
44.4(508)	Conditions
44.5(508)	Separability
44.6(508)	2001 CSO Mortality Table

INSURANCE HOLDING COMPANY SYSTEMS

CHAPTER 45 INSURANCE HOLDING COMPANY SYSTEMS

45.1(521A)	Purpose
45.2(521A)	Definitions

45.3(521A)	Subsidiaries of domestic insurers
45.4(521A)	Control acquisition of domestic insurer
45.5(521A)	Registration of insurers
45.6(521A)	Alternative and consolidated registrations
45.7(521A)	Exemptions
45.8(521A)	Disclaimers and termination of registration
45.9(521A)	Transactions subject to prior notice—notice filing
45.10(521A)	Extraordinary dividends and other distributions
45.11(521A)	Enterprise risk report
45.12(521A)	Forms—additional information and exhibits

CHAPTER 46 MUTUAL HOLDING COMPANIES

46.1(521A)	Purpose
46.2(521A)	Definitions
46.3(521A)	Application—contents—process
46.4(521A)	Plan of reorganization
46.5(521A)	Duties of the commissioner
46.6(521A)	Regulation—compliance
46.7(521A)	Reorganization of domestic mutual insurer with mutual insurance holding company
46.8(521A)	Reorganization of foreign mutual insurer with mutual insurance holding company
46.9(521A)	Mergers of mutual insurance holding companies
46.10(521A)	Stock offerings
46.11(521A)	Regulation of holding company system
46.12(521A)	Reporting of stock ownership and transactions

CHAPTER 47 VALUATION OF LIFE INSURANCE POLICIES

(Including New Select Mortality Factors)

47.1(508)	Purpose
47.2(508)	Application
47.3(508)	Definitions
47.4(508)	General calculation requirements for basic reserves and premium deficiency reserves
47.5(508)	Calculation of minimum valuation standard for policies with guaranteed nonlevel gross premiums or guaranteed nonlevel benefits (other than universal life policies)
47.6(508)	Calculation of minimum valuation standard for flexible premium and fixed premium universal life insurance policies that contain provisions resulting in the ability of a policyowner to keep a policy in force over a secondary guarantee period
47.7(508)	2001 CSO Mortality Table

VIATICAL AND LIFE SETTLEMENTS

CHAPTER 48 VIATICAL AND LIFE SETTLEMENTS

48.1(508E)	Purpose and authority
48.2(508E)	Definitions
48.3(508E)	License requirements
48.4(508E)	Disclosure statements
48.5(508E)	Contract requirements
48.6(508E)	Filing of forms
48.7(508E)	Reporting requirements

48.8(508E)	Examination or investigations
48.9(508E)	Requirements and prohibitions
48.10(508E)	Penalties; injunctions; civil remedies; cease and desist
48.11(252J)	Suspension for failure to pay child support
48.12(261)	Suspension for failure to pay student loan
48.13(272D)	Suspension for failure to pay state debt
48.14(508E)	Severability

CHAPTER 49

FINANCIAL INSTRUMENTS USED IN HEDGING TRANSACTIONS

49.1(511)	Purpose
49.2(511)	Definitions
49.3(511)	Guidelines and internal control procedures
49.4(511)	Documentation requirements
49.5(511)	Trading requirements

SECURITIES

CHAPTER 50

REGULATION OF SECURITIES OFFERINGS AND THOSE WHO ENGAGE IN THE SECURITIES BUSINESS

DIVISION I

DEFINITIONS AND ADMINISTRATION

50.1(502)	Definitions
50.2(502)	Cost of audit or inspection
50.3(502)	Interpretative opinions or no-action letters
50.4 to 50.9	Reserved

DIVISION II

REGISTRATION OF BROKER-DEALERS AND AGENTS

50.10(502)	Broker-dealer registrations, renewals, amendments, succession, and withdrawals
50.11(502)	Principals
50.12(502)	Agent and issuer registrations, renewals and amendments
50.13(502)	Agent continuing education requirements
50.14(502)	Broker-dealer record-keeping requirements
50.15(502)	Broker-dealer minimum financial requirements and financial reporting requirements
50.16(502)	Dishonest or unethical practices in the securities business
50.17(502)	Rules of conduct
50.18(502)	Limited registration of Canadian broker-dealers and agents
50.19(502)	Brokerage services by national and state banks
50.20(502)	Broker-dealers having contracts with national and state banks
50.21(502)	Brokerage services by credit unions, savings banks, and savings and loan institutions
50.22(502)	Broker-dealers having contracts with credit unions, savings banks, and savings and loan institutions
50.23 to 50.29	Reserved

DIVISION III

REGISTRATION OF INVESTMENT ADVISERS, INVESTMENT ADVISER REPRESENTATIVES, AND FEDERAL COVERED INVESTMENT ADVISERS

50.30(502)	Electronic filing with designated entity
50.31(502)	Investment adviser applications and renewals
50.32(502)	Application for investment adviser representative registration

50.33(502)	Examination requirements
50.34(502)	Notice filing requirements for federal covered investment advisers
50.35(502)	Withdrawal of investment adviser registration
50.36(502)	Investment adviser brochure
50.37(502)	Cash solicitation
50.38(502)	Prohibited conduct in providing investment advice
50.39(502)	Custody of client funds or securities by investment advisers
50.40(502)	Minimum financial requirements for investment advisers
50.41(502)	Bonding requirements for investment advisers
50.42(502)	Record-keeping requirements for investment advisers
50.43(502)	Financial reporting requirements for investment advisers
50.44(502)	Solely incidental services by certain professionals
50.45(502)	Registration exemption for investment advisers to private funds
50.46(502)	Contents of investment advisory contract
50.47 to 50.49	Reserved

DIVISION IV
RULES COVERING ALL REGISTERED PERSONS

50.50(502)	Internet advertising by broker-dealers, investment advisers, broker-dealer agents, investment adviser representatives, and federal covered investment advisers
50.51(502)	Consent to service
50.52(252J)	Denial, suspension or revocation of agent or investment adviser representative registration for failure to pay child support
50.53(261)	Denial, suspension or revocation of agent or investment adviser representative registration for failure to pay debts owed to or collected by the college student aid commission
50.54(272D)	Denial, suspension or revocation of agent or investment adviser representative registration for failure to pay state debt
50.55(502)	Use of senior-specific certifications and professional designations
50.56 to 50.59	Reserved

DIVISION V
REGISTRATION OF SECURITIES

50.60(502)	Notice filings for investment company securities offerings
50.61(502)	Registration of small corporate offerings
50.62(502)	Streamlined registration for certain equity securities
50.63(502)	Registration of multijurisdictional offerings
50.64(502)	Form of financial statements
50.65(502)	Reports contingent to registration by qualification
50.66(502)	NASAA guidelines and statements of policy
50.67(502)	Amendments to registration by qualification
50.68(502)	Delivery of prospectus
50.69(502)	Advertisements
50.70 to 50.79	Reserved

DIVISION VI
EXEMPTIONS

50.80(502)	Uniform limited offering exemption
50.81(502)	Notice filings for Rule 506 offerings
50.82(502)	Notice filings for agricultural cooperative associations
50.83(502)	Unsolicited order exemption
50.84(502)	Solicitation of interest exemption
50.85(502)	Internet offers exemption

50.86(502)	Denial, suspension, revocation, condition, or limitation of limited offering transaction exemption
50.87(502)	Nonprofit securities exemption
50.88(502)	Transactions with specified investors
50.89(502)	Designated securities manuals
50.90 to 50.99	Reserved

DIVISION VII
FRAUD AND OTHER PROHIBITED CONDUCT

50.100(502)	Fraudulent practices
50.101(502)	Rescission offers
50.102(502)	Fraudulent, deceptive or manipulative act, practice, or course of business in providing investment advice
50.103(502)	Investment advisory contracts
50.104 to 50.109	Reserved

DIVISION VIII
VIATICAL SETTLEMENT INVESTMENT CONTRACTS

50.110(502)	Application by viatical settlement investment contract issuers and registration of agents to sell viatical settlement investment contracts
50.111(502)	Risk disclosure
50.112(502)	Advertising of viatical settlement investment contracts
50.113(502)	Duty to disclose

CHAPTERS 51 to 53
Reserved

CHAPTER 54
RESIDENTIAL SERVICE CONTRACTS

54.1(523C)	Purpose
54.2(523C)	Definitions
54.3(523C)	Title
54.4(523C)	Scope
54.5(523C)	Application of insurance laws
54.6(523C)	Exemptions
54.7 to 54.9	Reserved
54.10(523C)	Administration
54.11(523C)	Misrepresentations of government approval
54.12(523C)	Public access to hearings
54.13(523C)	Public access to records
54.14(523C)	Procedure for public complaints
54.15(523C)	Fees
54.16(523C)	Forms
54.17 to 54.19	Reserved
54.20(523C)	Service company licenses
54.21(523C)	Suspension or revocation of license
54.22(523C)	Licenses not transferable
54.23 to 54.29	Reserved
54.30(523C)	Forms of contracts
54.31 to 54.39	Reserved
54.40(523C)	Cessation of business—records
54.41(523C)	Records
54.42(523C)	Annual reports
54.43 to 54.49	Reserved

54.50(523C)	Prohibited acts or practices
54.51(523C)	Orders
54.52(523C)	Investigations and subpoenas
54.53(523C)	Audits

CHAPTER 55 LICENSING OF PUBLIC ADJUSTERS

55.1(82GA,HF499)	Purpose
55.2(82GA,HF499)	Definitions
55.3(82GA,HF499)	License required to operate as public adjuster
55.4(82GA,HF499)	Application for license
55.5(82GA,HF499)	Issuance of resident license
55.6(82GA,HF499)	Public adjuster examination
55.7(82GA,HF499)	Exemptions from examination
55.8(82GA,HF499)	Nonresident license reciprocity
55.9(82GA,HF499)	Terms of licensure
55.10(82GA,HF499)	Evidence of financial responsibility
55.11(82GA,HF499)	Continuing education
55.12(82GA,HF499)	License denial, nonrenewal or revocation
55.13(82GA,HF499)	Reinstatement or reissuance of a license after suspension, revocation or forfeiture in connection with disciplinary matters; and forfeiture in lieu of compliance
55.14(82GA,HF499)	Contract between public adjuster and insured
55.15(82GA,HF499)	Escrow accounts
55.16(82GA,HF499)	Record retention
55.17(82GA,HF499)	Standards of conduct of public adjuster
55.18(82GA,HF499)	Public adjuster fees
55.19(82GA,HF499)	Penalties
55.20(82GA,HF499)	Fees
55.21(82GA,HF499)	Severability

CHAPTER 56 WORKERS' COMPENSATION GROUP SELF-INSURANCE

56.1(87,505)	General provisions
56.2(87,505)	Definitions
56.3(87,505)	Requirements for self-insurance
56.4	Reserved
56.5(87,505)	Excess insurance
56.6(87,505)	Rates and reporting of rates
56.7(87,505)	Special provisions
56.8(87,505)	Certificate of approval; termination
56.9(87,505)	Examinations
56.10(87,505)	Board of trustees—membership, powers, duties, and prohibitions
56.11(87,505)	Association membership; termination; liability
56.12(87,505)	Requirements of sales agents
56.13(87,505)	Requirements for continued approval
56.14(87,505)	Misrepresentation prohibited
56.15(87,505)	Investments
56.16(87,505)	Refunds
56.17(87,505)	Premium payment; reserves
56.18(87,505)	Deficits and insolvencies
56.19(87,505)	Grounds for nonrenewal or revocation of a certificate of relief from insurance

- 56.20(87,505) Hearing and appeal
- 56.21(87,505) Existing approved self-insurers
- 56.22(87,505) Severability clause

CHAPTER 57

WORKERS' COMPENSATION SELF-INSURANCE FOR INDIVIDUAL EMPLOYERS

- 57.1(87,505) General provisions
- 57.2(87,505) Definitions
- 57.3(87,505) Requirements for self-insurance
- 57.4(87,505) Additional security requirements
- 57.5(87,505) Application for an individual self-insurer
- 57.6 Reserved
- 57.7(87,505) Excess insurance
- 57.8(87,505) Insolvency
- 57.9(87,505) Renewals
- 57.10(87,505) Periodic examination
- 57.11(87,505) Grounds for nonrenewal or revocation of a certificate of relief from insurance
- 57.12(87,505) Hearing and appeal
- 57.13(87,505) Existing approved self-insurers
- 57.14(87,505) Severability clause

CHAPTER 58

THIRD-PARTY ADMINISTRATORS

- 58.1(510) Purpose
- 58.2(510) Definitions
- 58.3(505,510) Registration required
- 58.4(510) Third-party administrator duties
- 58.5(510) Renewal procedure
- 58.6(505,510) Responsibilities of the insurer
- 58.7(505,510) Written agreement
- 58.8(510) Compensation to the third-party administrator
- 58.9(510) Disclosure of charges and fees
- 58.10(510) Delivery of materials to covered individuals
- 58.11(510) Annual report and fee
- 58.12(510) Change of information
- 58.13(510) Inquiry by commissioner
- 58.14(510) Complaints
- 58.15(510) Periodic examination
- 58.16(510) Grounds for denial, nonrenewal, suspension or revocation of certificate of registration
- 58.17(510) Confidential information
- 58.18(510) Fees
- 58.19(510) Severability clause
- 58.20(510) Compliance date

CHAPTER 59

PHARMACY BENEFITS MANAGERS

- 59.1(510B) Purpose
- 59.2(510B) Definitions
- 59.3(510B) Timely payment of pharmacy claims
- 59.4(510B) Audits of pharmacies by pharmacy benefits managers
- 59.5(510B) Termination or suspension of contracts with pharmacies by pharmacy benefits managers

- 59.6(510B) Price change
- 59.7(510B) Complaints
- 59.8(510,510B) Duty to notify commissioner of fraud
- 59.9(507,510,510B) Commissioner examinations of pharmacy benefits managers
- 59.10(505,507,507B,510,510B,514L) Failure to comply

CHAPTER 60

WORKERS' COMPENSATION INSURANCE RATE FILING PROCEDURES

- 60.1(515A) Purpose
- 60.2(515A) Definitions, scope, authority
- 60.3(515A) General filing requirements
- 60.4(515A) Rate or manual rule filing
- 60.5(515A) Violation and penalties
- 60.6(515A) Severability
- 60.7(515A) Effective date

CHAPTERS 61 to 69

Reserved

MANAGED HEALTH CARE

CHAPTER 70

UTILIZATION REVIEW

- 70.1(505,514F) Purpose
- 70.2(505,514F) Definitions
- 70.3(505,514F) Application
- 70.4(505,514F) Standards
- 70.5(505,514F) Retroactive application
- 70.6(505,514F) Variances allowed
- 70.7(505,514F) Confidentiality
- 70.8(76GA,ch1202) Utilization review of postdelivery benefits and care
- 70.9(505,507B,514F) Enforcement
- 70.10(514F) Credentialing—retrospective payment

HEALTH BENEFIT PLANS

CHAPTER 71

SMALL GROUP HEALTH BENEFIT PLANS

- 71.1(513B) Purpose
- 71.2(513B) Definitions
- 71.3(513B) Applicability and scope
- 71.4(513B) Establishment of classes of business
- 71.5(513B) Transition for assumptions of business from another carrier
- 71.6(513B) Restrictions relating to premium rates
- 71.7(513B) Requirement to insure entire groups
- 71.8(513B) Case characteristics
- 71.9(513B) Application to reenter state
- 71.10(513B) Creditable coverage
- 71.11(513B) Rules related to fair marketing
- 71.12(513B) Status of carriers as small employer carriers
- 71.13(513B) Restoration of coverage
- 71.14(513B) Basic health benefit plan and standard health plan policy forms
- 71.15(513B) Methods of counting creditable coverage
- 71.16(513B) Certificates of creditable coverage

71.17(513B)	Notification requirements
71.18(513B)	Special enrollments
71.19(513B)	Disclosure requirements
71.20(514C)	Treatment options
71.21(514C)	Emergency services
71.22(514C)	Provider access
71.23(513B)	Reconstructive surgery
71.24(514C)	Contraceptive coverage
71.25(513B)	Suspension of the small employer health reinsurance program
71.26(513B)	Uniform health insurance application form

CHAPTER 72

LONG-TERM CARE ASSET PRESERVATION PROGRAM

72.1(249G)	Purpose
72.2(249G)	Applicability and scope
72.3(249G)	Definitions
72.4(249G)	Qualification of long-term care insurance policies and certificates
72.5(249G)	Standards for marketing
72.6(249G)	Minimum benefit standards for qualifying policies and certificates
72.7(249G)	Required policy and certificate provisions
72.8(249G)	Prohibited provisions in certified policies or certificates
72.9(249G)	Reporting requirements
72.10(249G)	Maintaining auditing information
72.11(249G)	Reporting on asset protection
72.12(249G)	Preparing a service summary
72.13(249G)	Plan of action
72.14(249G)	Auditing and correcting deficiencies in issuer record keeping
72.15(249G)	Separability

CHAPTER 73

HEALTH INSURANCE PURCHASING COOPERATIVES

73.1(75GA,ch158)	Purpose
73.2(75GA,ch158)	Applicability and scope
73.3(75GA,ch158)	Definitions
73.4(75GA,ch158)	Division duties—application—filing requirements—license—audits and examinations
73.5(75GA,ch158)	Fidelity bond—letter of credit
73.6(75GA,ch158)	Annual report
73.7(75GA,ch158)	Business plan
73.8(75GA,ch158)	Participants
73.9(75GA,ch158)	Health insurance purchasing cooperative—product offerings—exemptions
73.10(75GA,ch158)	Insurance risk
73.11(75GA,ch158)	Rates
73.12(75GA,ch158)	Election—disclosure and confidentiality
73.13(75GA,ch158)	Structure—merger and consolidation
73.14(75GA,ch158)	Conflict of interest
73.15(75GA,ch158)	Nondiscrimination and retaliatory protections
73.16(75GA,ch158)	Annual health insurance or health care benefits plan selection
73.17(75GA,ch158)	License subject to conditions—waivers
73.18(75GA,ch158)	Procedures
73.19(75GA,ch158)	Data collection—quality evaluation
73.20(75GA,ch158)	Examination—costs

73.21(75GA,ch158)	Trade practices
73.22(75GA,ch158)	Grounds for denial, nonrenewal, suspension or revocation of certificate
73.23(75GA,ch158)	Hearing and appeal
73.24(75GA,ch158)	Solvency

CHAPTER 74 HEALTH CARE ACCESS

74.1(505)	Purpose
74.2(505)	Applicability and scope
74.3(505)	Definitions
74.4(505)	Access to health care or health insurance for an employee
74.5(505)	Employer participation
74.6(505)	Violation of chapter

CHAPTER 75 IOWA INDIVIDUAL HEALTH BENEFIT PLANS

75.1(513C)	Purpose
75.2(513C)	Definitions
75.3(513C)	Applicability and scope
75.4(513C)	Establishment of blocks of business
75.5(513C)	Transition for assumptions of business from another carrier or ODS
75.6(513C)	Restrictions relating to premium rates
75.7(513C)	Availability of coverage
75.8(513C)	Disclosure of information
75.9(513C)	Standards to ensure fair marketing
75.10(513C)	Basic health benefit plan and standard health benefit plan policy forms
75.11(513C)	Maternity benefit rider
75.12(513C)	Disclosure requirements
75.13(514C)	Treatment options
75.14(514C)	Emergency services
75.15(514C)	Provider access
75.16(514C)	Diabetic coverage
75.17(513C)	Reconstructive surgery
75.18(514C)	Contraceptive coverage

CHAPTER 76 EXTERNAL REVIEW

76.1(514J)	Purpose
76.2(514J)	Applicable law and definitions
76.3(514J)	Disclosure requirements
76.4(514J)	External review request
76.5(514J)	Communication between covered person, health carrier, independent review organization and the commissioner
76.6(514J)	Assignment of independent review organization by the commissioner
76.7(514J)	Decision notification
76.8(514J)	Health carrier information
76.9(514J)	Certification of independent review organization
76.10(514J)	Fees charged by independent review organizations
76.11(514J)	Penalties

CHAPTER 77

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS

77.1(507A)	Certificate of registration
77.2(507A)	Application for certificate of registration
77.3(507A)	Financial requirements
77.4(507A)	Policy or contract
77.5(507A)	Disclosure
77.6(507A)	Filing fee
77.7(507A)	Agreements and management contracts
77.8(507A)	Examination
77.9(507A)	Trade practices
77.10(507A)	Insolvency
77.11(507A)	Suspension or revocation of certificate

CHAPTER 78

UNIFORM PRESCRIPTION DRUG INFORMATION CARD

78.1(514L)	Purpose
78.2(514L)	Definitions
78.3(514L)	Implementation

CHAPTER 79

Reserved

*INSURANCE COVERAGE FOR
PEDIATRIC PREVENTIVE SERVICES*

CHAPTER 80

WELL-CHILD CARE

80.1(505,514H)	Purpose
80.2(505,514H)	Applicability and scope
80.3(505,514H)	Effective date
80.4(505,514H)	Policy definitions
80.5(505,514H)	Benefit plan

CHAPTER 81

POSTDELIVERY BENEFITS AND CARE

81.1(514C)	Purpose
81.2(514C)	Applicability and scope
81.3(514C)	Postdelivery benefits

CHAPTERS 82 to 84

Reserved

CHAPTER 85

REGULATION OF NAVIGATORS

85.1(505,522D)	Purpose and authority
85.2(505,522D)	Definitions
85.3(505,522D)	Requirement to hold a license
85.4(505,522D)	Issuance of license
85.5(505,522D)	License renewal
85.6(505,522D)	License reinstatement
85.7(505,522D)	Reinstatement or reissuance of a license after suspension, revocation or forfeiture in connection with disciplinary matters; and forfeiture in lieu of compliance
85.8(505,522D)	Change in name, address or state of residence
85.9(505,522D)	Licensing of a business entity

- 85.10(505,522D) Initial training of navigators
- 85.11(505,522D) Continuing education requirements for navigators
- 85.12(505,522D) Administration of examinations
- 85.13(505,522D) Fees
- 85.14(505,522D) Evidence of financial responsibility
- 85.15(505,522D) Practices
- 85.16(505,522D) Severability

CHAPTERS 86 to 89

Reserved

CHAPTER 90

FINANCIAL AND HEALTH INFORMATION REGULATION

- 90.1(505) Purpose and scope
- 90.2(505) Definitions

DIVISION I

RULES FOR FINANCIAL INFORMATION

- 90.3(505) Initial privacy notice to consumers required
- 90.4(505) Annual privacy notice to customers required
- 90.5(505) Information to be included in privacy notices
- 90.6(505) Form of opt-out notice to consumers and opt-out methods
- 90.7(505) Revised privacy notices
- 90.8(505) Delivery of notice
- 90.9(505) Limits on disclosure of nonpublic personal financial information to nonaffiliated third parties
- 90.10(505) Limits on redisclosure and reuse of nonpublic personal financial information
- 90.11(505) Limits on sharing account number information for marketing purposes
- 90.12(505) Exception to opt-out requirements for disclosure of nonpublic personal financial information for service providers and joint marketing
- 90.13(505) Exceptions to notice and opt-out requirements for disclosure of nonpublic personal financial information for processing and servicing transactions
- 90.14(505) Other exceptions to notice and opt-out requirements for disclosure of nonpublic personal financial information
- 90.15(505) Notice through a Web site
- 90.16(505) Licensee exception to notice requirement

DIVISION II

RULES FOR HEALTH INFORMATION

- 90.17(505) Disclosure of nonpublic personal health information
- 90.18(505) Authorizations
- 90.19(505) Delivery of authorization request
- 90.20(505) Relationship to federal rules
- 90.21(505) Relationship to state laws
- 90.22(505) Protection of Fair Credit Reporting Act
- 90.23(505) Nondiscrimination
- 90.24(505) Severability
- 90.25(505) Penalties
- 90.26(505) Effective dates
- 90.27 to 90.36 Reserved

DIVISION III

SAFEGUARDING CUSTOMER INFORMATION

- 90.37(505) Information security program
- 90.38(505) Examples of methods of development and implementation

- 90.39(505) Penalties
- 90.40(505) Effective date

CHAPTER 91 2001 CSO MORTALITY TABLE

- 91.1(508) Purpose
- 91.2(508) Definitions
- 91.3(508) 2001 CSO Mortality Table
- 91.4(508) Conditions
- 91.5(508) Applicability of the 2001 CSO Mortality Table to 191—Chapter 47, Valuation of Life Insurance Policies
- 91.6(508) Gender-blended table
- 91.7(508) Separability

CHAPTER 92 UNIVERSAL LIFE INSURANCE

- 92.1(508) Purpose and authority
- 92.2(508) Definitions
- 92.3(508) Scope
- 92.4(508) Valuation
- 92.5(508) Nonforfeiture
- 92.6(508) Mandatory policy provisions
- 92.7(508) Disclosure requirements
- 92.8(508) Periodic disclosure to policyowner
- 92.9(508) Interest-indexed universal life insurance policies
- 92.10(508) Applicability

CHAPTER 93 CONDUIT DERIVATIVE TRANSACTIONS

- 93.1(511,521A) Purposes
- 93.2(511,521A) Definitions
- 93.3(511,521A) Provisions not applicable
- 93.4(511,521A) Standards for conduit derivative transactions
- 93.5(511,521A) Internal controls
- 93.6(511,521A) Reporting requirements for conduit derivative transactions
- 93.7(511,521A) Conduit ownership
- 93.8(511,521A) Exemption from applicability

CHAPTER 94 PREFERRED MORTALITY TABLES FOR USE IN DETERMINING MINIMUM RESERVE LIABILITIES

- 94.1(508) Purpose
- 94.2(508) Definitions
- 94.3(508) 2001 CSO Preferred Class Structure Mortality Table
- 94.4(508) Conditions
- 94.5(508) Separability

CHAPTER 95 DETERMINING RESERVE LIABILITIES FOR PRENEED LIFE INSURANCE

- 95.1(508) Authority
- 95.2(508) Scope
- 95.3(508) Purpose
- 95.4(508) Definitions

95.5(508)	Minimum valuation mortality standards
95.6(508)	Minimum valuation interest rate standards
95.7(508)	Minimum valuation method standards
95.8(508)	Transition rules
95.9(508)	Effective date

CHAPTER 96

SYNTHETIC GUARANTEED INVESTMENT CONTRACTS

96.1(505,508)	Authority
96.2(505,508)	Purpose
96.3(505,508)	Scope and application
96.4(505,508)	Definitions
96.5(505,508)	Financial requirements and plan of operation
96.6(505,508)	Required contract provisions and filing requirements
96.7(505,508)	Investment management of the segregated portfolio
96.8(505,508)	Purchase of annuities
96.9(505,508)	Unilateral contract terminations
96.10(505,508)	Reserves
96.11(505,508)	Severability
96.12(505,508)	Effective date

CHAPTER 97

ACCOUNTING FOR CERTAIN DERIVATIVE INSTRUMENTS USED TO HEDGE THE GROWTH IN INTEREST CREDITED FOR INDEXED INSURANCE PRODUCTS AND ACCOUNTING FOR THE INDEXED INSURANCE PRODUCTS RESERVE

97.1(508)	Authority
97.2(508)	Purpose
97.3(508)	Definitions
97.4(508)	Asset accounting
97.5(508)	Indexed annuity product reserve calculation methodology
97.6(508)	Indexed life product reserve calculation methodology
97.7(508)	Other requirements

CHAPTER 98

ANNUAL FINANCIAL REPORTING REQUIREMENTS

98.1(505)	Authority
98.2(505)	Purpose
98.3(505)	Definitions
98.4(505)	General requirements related to filing and extensions for filing of annual audited financial reports and audit committee appointment
98.5(505)	Contents of annual audited financial report
98.6(505)	Designation of independent certified public accountant
98.7(505)	Qualifications of independent certified public accountant
98.8(505)	Consolidated or combined audits
98.9(505)	Scope of audit and report of independent certified public accountant
98.10(505)	Notification of adverse financial condition
98.11(505)	Communication of Internal Control Related Matters Noted in an Audit
98.12(505)	Definition, availability and maintenance of independent certified public accountants' work papers
98.13(505)	Requirements for audit committees
98.14(505)	Conduct of insurer in connection with the preparation of required reports and documents
98.15(505)	Management's Report of Internal Control Over Financial Reporting

98.16(505)	Exemptions
98.17(505)	Letter to insurer with accountant's qualifications
98.18(505)	Canadian and British companies
98.19(505)	Severability provision
98.20(505)	Effective date

CHAPTER 99

LIMITED PURPOSE SUBSIDIARY LIFE INSURANCE COMPANIES

99.1(505,508)	Authority
99.2(505,508)	Purpose
99.3(505,508)	Definitions
99.4(505,508)	Formation of LPS
99.5(505,508)	Certificate of authority
99.6(505,508)	Capital and surplus
99.7(505,508)	Plan of operation
99.8(505,508)	Dividends and distributions
99.9(505,508)	Reports and notifications
99.10(505,508)	Material transactions
99.11(505,508)	Investments
99.12(508)	Securities
99.13(505,508)	Permitted reinsurance
99.14(505,508)	Certification of actuarial officer
99.15(505,508)	Effective date

REGULATED INDUSTRIES

SALES OF CEMETERY MERCHANDISE, FUNERAL MERCHANDISE AND FUNERAL SERVICES

CHAPTER 100

GENERAL PROVISIONS

100.1(523A)	Purpose
100.2(523A)	Definitions
100.3(523A)	Contact and correspondence
100.4(523A)	Fees

CHAPTER 101

TRUST DEPOSITS AND TRUST FUNDS

101.1(523A)	Trust income withdrawals
101.2(523A)	Amount of trust income withdrawn
101.3(523A)	Allocation of trust income to purchasers' accounts
101.4(523A)	Credit for trust income withdrawn
101.5(523A)	Time period during which trust income may be withdrawn
101.6(523A)	Application of contract law
101.7(523A)	Consumer price index adjustment
101.8(523A)	Cancellation refunds

CHAPTER 102

WAREHOUSED MERCHANDISE

102.1(523A)	Funeral and cemetery merchandise delivered to the purchaser or warehoused
102.2(523A)	Storage facilities

CHAPTER 103

LICENSING OF PRENEED SELLERS AND SALES AGENTS

103.1(523A)	Requirement for a preneed seller license or a sales agent license
103.2(523A)	Application and licensing of preneed seller or sales agent

- 103.3(523A) Change of ownership or sale of business of preneed seller
- 103.4(523A) License renewal
- 103.5(523A) Denial of license applications or of applications for renewal
- 103.6(523A) Reinstatement or reissuance of a license after suspension, revocation or forfeiture in connection with disciplinary matters; and forfeiture in lieu of compliance
- 103.7(252J) Suspension for failure to pay child support
- 103.8(261) Suspension for failure to pay student loan
- 103.9(523A) Suspension for failure to pay state debt

CHAPTER 104

CONTINUING EDUCATION FOR SALES AGENTS

- 104.1(523A) Continuing education requirements
- 104.2(523A) Acceptable areas of continuing education
- 104.3(523A) Academic coursework
- 104.4(523A) Effective date
- 104.5(523A) Compliance period
- 104.6(523A) Denial of sales agent license renewal application
- 104.7(523A) Disqualification and replacement of credits
- 104.8(523A) Current mailing address
- 104.9(523A) Proof of completion of continuing education requirements
- 104.10(523A) Standards for continuing education activities
- 104.11(523A) Qualifications of presenters and proof of attendance
- 104.12(523A) Reviews
- 104.13(523A) Exemption

CHAPTER 105

STANDARDS OF CONDUCT, PROHIBITED PRACTICES, AND DISCIPLINARY PROCEDURES

- 105.1(523A) Purpose
- 105.2(523A) Numbering purchase agreements
- 105.3(523A) Records maintenance
- 105.4(523A) Annual reports
- 105.5(523A) Fidelity bond or insurance
- 105.6(523A) Grounds for discipline
- 105.7(523A) Prohibition on sales activities and practices without a license or without an appointment
- 105.8 to 105.10 Reserved
- 105.11(523A) Investigations
- 105.12(17A,523A) Penalties
- 105.13(17A,523A) Administrative procedures

CHAPTERS 106 to 109

Reserved

CHAPTER 110

STANDARDS AND COMMISSIONER'S AUTHORITY FOR COMPANIES DEEMED TO BE IN HAZARDOUS FINANCIAL CONDITION

- 110.1(505) Authority
- 110.2(505) Purpose
- 110.3(505) Definition
- 110.4(505) Standards
- 110.5(505) Commissioner's authority
- 110.6(505) Judicial review

110.7(505) Separability
110.8(505) Effective date

CHAPTERS 111 to 139
Reserved

CHAPTER 140
BURIAL SITES AND CEMETERIES

140.1(523I) Purpose
140.2(523I) Definitions
140.3(523I) Administration
140.4(523I) Examination expenses assessment
140.5(523I) Notice of disinterment
140.6(523I) Sale of insurance
140.7(523I) Commingling of perpetual care trust fund accounts
140.8(523I) Distribution of capital gains using a total return distribution method

PROPERTY AND CASUALTY INSURANCE

CHAPTER 20

PROPERTY AND CASUALTY INSURANCE

[Prior to 10/22/86, Insurance Department[510]]

DIVISION I

FORM AND RATE REQUIREMENTS

191—20.1(505,509,514A,515,515A,515F) General filing requirements.

20.1(1) Insurance companies required to file rates or forms with the division shall submit required rate and form filings and any fees required for the filings electronically using the National Association of Insurance Commissioners' System for Electronic Rate and Form Filing (SERFF). Insurance companies must comply with the division's requirements, including both the Iowa general instructions and the specific submission requirements for the type of insurance for which the companies are submitting forms or rates, as set out on the SERFF Web site at www.serff.org.

20.1(2) No rate filing shall include any adjustment designed to recover underwriting or operating losses incurred out of state. Upon request by the commissioner, insurers doing business in Iowa shall segregate in their rate filings data from any state identified by the commissioner, and the filings shall include a certification that no portion of any rate increase is designed to recover underwriting or operating losses incurred in another state.

191—20.2(505) Objection to filing.

20.2(1) Any insured or established organization with one or more insureds among its members that has an objection to a form filing may submit to the insurance commissioner a written request for a hearing on the filing. A request for a hearing must be filed within 20 days after the filing has been received by the commissioner.

20.2(2) Within 20 days after receipt of the request for a hearing, the commissioner will hold a hearing to consider the objection to the filing. The commissioner will provide not less than 10 days' written notice of the time and place of the hearing to the person or association filing the demand, to the filing insurer or organization, and to any other person requesting notice. The commissioner may suspend or postpone the effective date of the filing pending the hearing. Upon consideration of the information received at the hearing, the commissioner may determine whether or not to approve the filing.

191—20.3(515,515A,515C,518,518A,520) Letter of transmittal. Rescinded IAB 10/25/06, effective 11/29/06.

191—20.4(505,509,514A,515,515A,515F) Policy form filing.

20.4(1) Each policy form, endorsement, application and agreement modifying the provisions of policies must bear an identification form number. This form number must be in the lower left-hand corner unless uniform or authentic forms are used.

20.4(2) Rescinded IAB 2/19/14, effective 3/26/14.

20.4(3) A form filing which has not been previously approved, disapproved or questioned shall be deemed approved on or after 30 days from its receipt.

[ARC 1334C, IAB 2/19/14, effective 3/26/14]

191—20.5(515A) Rate or manual rule filing.

20.5(1) Every insurer shall determine and file its final rates with the commissioner pursuant to provisions of Iowa Code chapter 515F, except for insurers of workers' compensation who are specifically excluded by Iowa Code section 515F.5 and residual market mechanisms.

a. Advisory organizations may file on behalf of their member and subscriber companies prospective loss costs, supplementary rate information and supporting information as defined in Iowa Code section 515F.2. Advisory organization filings shall be filed and made effective in accordance with

the provisions of Iowa Code sections 515F.4 to 515F.6 or 515F.23 to 515F.25 that apply to the filing and approval of rates and supplementary rating information.

b. An insurer may satisfy its obligation to make rate filings by becoming a participating insurer of a licensed advisory organization that makes reference filings of advisory prospective loss costs and by authorizing the commissioner to accept such filings on its behalf. The insurer's rates shall be the prospective loss costs filed by the advisory organization which have been put into effect in accordance with 20.5(1)"a," combined with the loss cost adjustments which are filed in accordance with this paragraph.

c. An insurer may satisfy its obligation to make filings of supplementary rating information by becoming a participating insurer of a licensed advisory organization which makes such filings and by authorizing the commissioner to accept such filings on its behalf, subject to any modifications filed by the insurer.

d. If an insurer has previously filed forms modifying coverage provided by the applicable advisory organization forms, such fact should be noted in the rate filing.

20.5(2) Rate filings shall reflect that due consideration has been given to the factors enumerated in Iowa Code section 515F.4(1), and shall be accompanied by supporting statistical exhibits. In addition, each filing shall note the date of the last revision of rates affecting this coverage and briefly describe the nature of that revision.

20.5(3) Insurers making filings in their own behalf and advisory organizations shall identify each page filed by printing, typing or stamping their own name thereon.

20.5(4) If a company filing rates used the manuals of an advisory organization in its filings, any portion of the manuals of the organization which will not be followed by the filing must be clearly shown as deleted or amended by use of an appropriately numbered exception page.

20.5(5) For residual market mechanisms, insurers making filings in their own behalf shall identify the submission as an independent filing or a deviation from the bureau filing. A deviation filing is a submission which represents modification of a form or rate or rule previously filed by an authorized rating organization or advisory organization on behalf of its member and subscriber companies. If an insurer has previously filed forms modifying coverage provided by the applicable standard or bureau forms, such fact should be noted in the rate filing.

191—20.6(515A) Exemption from filing requirement.

20.6(1) An insurer requesting, pursuant to Iowa Code section 515F.5(4), suspension or modification of the requirement of filing of a rate shall provide the commissioner with a full explanation for the proposed exemption from the filing requirement together with any actuarial data available and shall furnish the commissioner with any additional material the commissioner may desire.

20.6(2) If the commissioner finds that a proposed rate represents a classification for which credible and homogeneous statistical experience does not exist and cannot be analyzed using standard actuarial techniques to produce a statistically significant average rate for the individual risks within the classification, the commissioner may exempt the proposed rate from the filing requirement.

20.6(3) An insurer shall maintain statistical records of the experience and expenses attendant upon the risks covered by any rate exempted by the commissioner from the filing requirement. The insurer may supplement statistical information with information filed with the commissioner by an advisory organization.

This rule is intended to implement Iowa Code section 515A.4(6).

191—20.7(515E) Risk retention and purchasing groups. Rescinded IAB 11/22/06, effective 12/27/06.

191—20.8(515F) Rate filings for crop-hail insurance. Rate filings for crop-hail insurance shall be submitted on or before January 31 of each calendar year. Each company may file one set of rates per policy plan per calendar year which shall remain in effect throughout the current crop year. In the absence

of a new filing, rates on file from the previous year will remain in effect. Each filing shall be accompanied by a cover letter, synopsis sheet and supporting data which justify the filed rate.
[ARC 2227C, IAB 10/28/15, effective 12/2/15]

191—20.9(515F) Licensing advisory organization. Rescinded IAB 3/28/07, effective 5/2/07.

191—20.10(515F) Exemptions. Rescinded IAB 3/28/07, effective 5/2/07.

191—20.11(515) Exemption from form and rate filing requirements.

20.11(1) The following lines of insurance shall be exempt from the form filing requirements of Iowa Code section 515.102:

Aircraft hull and aviation liability

Difference-in-conditions

Kidnap-ransom

Manuscript policies and endorsements issued to not more than two insureds in Iowa

Political risk

Reinsurance

Terrorism

War risk

Weather insurance

20.11(2) Insurers shall be exempt from filing rates for the lines of insurance exempted in 20.11(1).

20.11(3) An insurer shall within 30 days of request provide the commissioner with any of the information which is exempted from form and rate filing requirements.

[ARC 1125C, IAB 10/16/13, effective 11/20/13]

191—20.12(515,515F) Use of credit history in underwriting and making of rates for personal automobile and homeowners policies. Rescinded IAB 11/24/04, effective 12/29/04.

191—20.13 to 20.40 Reserved.

These rules are intended to implement Iowa Code chapter 515F and Iowa Code section 515.109.

DIVISION II
IOWA FAIR PLAN ACT

191—20.41(515,515F) Purpose. This division is intended to implement and interpret 2003 Iowa Acts, chapter 119, for the purpose of establishing procedures and requirements for a mandatory risk-sharing facility for basic property insurance coverage. This division is also intended to encourage improvement of and reasonable loss prevention measures for properties located in Iowa and to further orderly community development.

191—20.42(515,515F) Scope. This division shall apply to all insurers licensed to write property insurance in Iowa.

191—20.43(515,515F) Definitions.

“Basic property insurance” means insurance against direct loss to property as defined in the standard fire policy and extended coverage, vandalism, and malicious mischief endorsements; homeowners insurance; and such other coverage or classes of insurance as may be added to the FAIR Plan by the commissioner. Basic property insurance shall include:

1. Coverage provided in the customary fire policy and in the customary extended coverage and builders risk endorsements.

2. Coverage against loss or damage by burglary or theft, or both.

3. Coverage at least equivalent to that provided in a modified coverage form homeowners policy.

“Habitational risk” means:

1. Dwellings, permanent or seasonal, designed for occupancy by not more than four families or containing not more than four apartments.
2. Private outbuildings used in connection with any of the risks described in “1.”
3. Trailer homes at a fixed location.
4. Household and personal property in risks described in “1” to “3.”
5. Tenants’ contents in dwellings or apartment houses.

“*Iowa FAIR Plan*” or “*the Plan*” means the nonprofit, unincorporated mandatory risk-sharing facility established by this division to provide for basic property insurance.

“*Location*” means a single building and its contents, or contiguous buildings and their contents, under one ownership.

“*Manufacturing risks*” means those risks eligible to be written under the customary manufacturing business interruption policy forms approved by the commissioner. The following are not considered manufacturing risks:

1. Dry cleaning and laundering—Carpet, rug, furniture, or upholstery cleaning; diaper service or infants’ apparel laundries; dry cleaning; laundries; linen supply.
2. Installation, servicing and repair—Electrical equipment; electronic equipment; glazing; household furnishings and appliances; office machines; plumbing, heating and air conditioning; protective systems for premises, vaults and safes.
3. Laboratories—Blood banks; dental laboratories; medical or X-ray laboratories.
4. Duplicating or similar services—Blueprinting and photocopying services; bookbinding; electrotyping; engraving; letter service (mailing or addressing companies); linotype or hand composition; lithographing; photo engraving; photo finishing; photographers (commercial).
5. Warehousing—Cold storage (locker establishments); cold storage warehouse; furniture or general merchandise warehouse.
6. Miscellaneous—Barber shops; beauty parlors; cemeteries; dog kennels; electroplating; equipment rental (not contractors’ equipment); film and tape rental; funeral directors; galvanizing, tinning, detinning; radio broadcasting, commercial wireless and television broadcasting; taxidermists; telephone or telegraph companies; textiles (bleaching, dyeing, mercerizing or finishing of property of others); veterinarians and veterinary hospitals.

“*Motor vehicles*” means vehicles which are self-propelled.

“*Weighted premiums written*” means:

1. Gross direct premiums less return premiums, dividends paid or credited to policyholders, or the unused or unabsorbed portions of premium deposits, with respect to property in this state excluding premiums on risks insured under the Plan, for basic property insurance, for homeowners multiple peril policies, for farm dwelling policies and for the basic property insurance premium components of all other multiple peril policies.
2. In addition, 100 percent of the premiums obtained for homeowners multiple peril policies shall be added to 100 percent of the premiums obtained for basic property insurance and the basic property insurance premium components of all other multiple peril policies. The basic year for the computation shall be the first preceding calendar year.

191—20.44(515,515F) Eligible risks.

20.44(1) All risks at a fixed location shall be eligible for inspection and considered for insurance under the Plan except motor vehicles, inland marine risks, and manufacturing risks as defined above.

20.44(2) The maximum limits of coverage for the type of basic property insurance for customary fire and extended coverage which may be placed under the Plan are those established by the governing committee from time to time.

20.44(3) The maximum limits of coverage for the type of basic property insurance for burglary and theft which may be placed under the Plan are those established by the governing committee from time to time.

20.44(4) The maximum limits of coverage for the type of basic property insurance for homeowners coverage which may be placed under the Plan are those established by the governing committee from time to time.

191—20.45(515,515F) Membership.

20.45(1) Every insurer licensed to write one or more components of basic property insurance shall be considered a member of the Plan. Any other insurer may, upon application to and approval by the governing committee, become a member.

20.45(2) An insurer's membership terminates when the insurer is no longer authorized to write basic property insurance in Iowa, but the effective date of termination shall be the last day of the fiscal year of the Plan in which termination occurs. Any insurer so terminated shall continue to be governed by the provisions of this division until the insurer completes all of its obligations under the Plan.

20.45(3) Any voluntary insurer member may terminate its membership only as of the last day of the fiscal year of the Plan by giving written notice to the Plan 30 days prior to the last day of the fiscal year of the Plan. The governing committee upon a majority vote may terminate the membership of a voluntary insurer. Any such terminated member shall continue to be governed by the provisions of this division until the insurer completes all of its obligations under the Plan.

20.45(4) Subject to the approval of the commissioner, the governing committee may charge a reasonable annual membership fee.

191—20.46(515,515F) Administration.

20.46(1) The Plan shall be administered by the governing committee, subject to supervision of the commissioner, and operated by a manager appointed by the governing committee.

20.46(2) The governing committee shall consist of seven members, each of whom shall serve for a period of one year or until a successor is elected or designated. Each member shall have one vote.

191—20.47(515,515F) Duties of the governing committee.

20.47(1) The governing committee shall meet as often as may be required to perform the general duties of the administration of the Plan, or on the call of the commissioner. Four members of the committee present or by proxy shall constitute a quorum. Members of the committee who choose to appoint a proxy shall give a written proxy to the person elected to act as proxy. The written proxy shall then be filed with the governing committee, thus ensuring the validity of the proxy's actions as the governing committee performs its duties.

20.47(2) The governing committee shall be empowered to appoint a manager, who shall serve at the pleasure of the committee, to budget expenses, levy assessments, disburse funds, and perform all other duties of the Plan. The adoption of or substantive changes in pension plans or employee benefit programs for the manager and staff shall be subject to approval of the governing committee.

20.47(3) The governing committee may designate, with the approval of the commissioner, a rate service organization as defined in Iowa Code chapter 515F, to make inspections as required under the Plan and to perform such other duties as may be authorized by the governing committee.

20.47(4) The manager shall annually prepare an operating budget which shall be subject to approval of the governing committee.

20.47(5) The governing committee shall submit to the commissioner periodic reports setting forth information as the commissioner may request. On or before April 1 of each year, the governing committee shall submit a report summarizing any new programs or reforms in operation undertaken during the preceding calendar year in order to comply with any new legislation, regulations or directives affecting the Plan. This report shall contain a statistical tabulation on business written in accordance with the Plan.

20.47(6) The governing committee shall separately code all policies written by the Plan so that appropriate records may be compiled for purposes of performing loss prevention and other studies of the operation of the Plan.

20.47(7) The governing committee shall authorize the manager to file rates, surcharge schedules and forms for prior approval by the commissioner.

20.47(8) The governing committee shall prepare such agreements and contracts as may be necessary for the execution of this division consistent with its provisions.

191—20.48(515,515F) Annual and special meetings.

20.48(1) There shall be an annual meeting of the insurers on a date fixed by the governing committee at which time members may be chosen.

20.48(2) A special meeting shall be called by the governing committee within 40 days after receipt of written request from any ten insurers, not more than one of which may be in a group under the same management or ownership.

20.48(3) The time and place of all meetings shall be reasonable. Twenty days' notice of an annual or special meeting shall be given in writing by the governing committee to all insurers defined above. Four members present in person or by proxy shall constitute a quorum. Voting by proxy shall be permitted.

20.48(4) Any matter not inconsistent with the law or this division may be proposed and voted upon at any special meeting of the committee. Notice of any such proposal shall be mailed to each insurer not less than 20 days prior to the final date fixed by the committee for voting thereon.

191—20.49(515,515F) Application for insurance.

20.49(1) Any person who has an insurable interest in an eligible risk in property permitted to be written in the Plan and who has received within the last six months a notice of rejection, nonrenewal or cancellation from an insurer may apply for insurance by the Plan.

20.49(2) An inspection need not be made if the governing committee determines that insurance can be provided for specified classes of risks on the basis of representations of the applicant or insurance producer.

20.49(3) The Plan may bind coverage. The Plan may wait until receipt of the inspection report or receipt of additional underwriting information before determining whether to bind coverage. Coverage will be bound by the Plan by acknowledgement to the producer.

191—20.50(515,515F) Inspection procedure.

20.50(1) The inspection by the Plan shall be without cost to the applicant.

20.50(2) The manner and scope of the inspection shall be prescribed by the Plan with the approval of the commissioner.

20.50(3) An inspection report shall be made for each property inspected covering pertinent structural and occupancy features as well as the general condition of the building and surrounding structures. Representative photographs may be taken during the inspection to indicate the pertinent features of building, construction, maintenance, occupancy, and surrounding property.

20.50(4) After the inspection, a copy of the completed inspection report and any relevant photographs shall be kept on file by the Plan. The report shall include a description of any deficient physical condition changes proposed by the inspector. A copy of the inspection report shall be made available to the applicant or producer upon request.

191—20.51(515,515F) Procedure after inspection and receipt of application.

20.51(1) After receipt of the application, the inspection report, and any additional underwriting information requested from the applicant, the Plan shall within five business days complete and send to the applicant an action report advising the applicant of one of the following:

a. That the risk is acceptable. If the inspection reveals substandard conditions, appropriate charges may be imposed, but the report shall specify the improvements necessary for removal of each such charge.

b. That the risk is declined unless reasonable improvements noted in the action report are made by the applicant and confirmed by reinspection.

c. That the risk is declined because it fails to meet reasonable underwriting standards as set forth in 191—20.52(515,515F). Reasonable underwriting standards as set forth in 191—20.52(515,515F) shall not include neighborhood or area location or any environment hazard beyond the control of the property owner.

20.51(2) If the risk is accepted, the action report shall advise the applicant of:

- a. The amount of coverage the Plan agrees to write.
- b. The amount of coverage the Plan agrees to write if specified improvements are made.
- c. The amount of coverage the Plan agrees to write only if a large or special deductible is agreed to by the applicant.

20.51(3) If the risk is accepted, the Plan, upon receipt of the premium, shall deliver the policy to the applicant or to the licensed producer designated by the applicant for delivery to the applicant. The Plan shall remit the commissions to the licensed producer designated by the applicant.

191—20.52(515,515F) Reasonable underwriting standards for property coverage.

20.52(1) The following characteristics may be used in determining whether a risk is acceptable for property coverage. Where there is more than one cause for declination, all causes shall be listed and complied with before the property may be accepted for insurance purposes.

a. Physical condition of property; however, the mere fact that a property does not satisfy all current building code specifications will not, of itself, suffice as a reason for declination.

b. The property's present use as extended vacancy or extended unoccupancy of the property for 60 consecutive days. Properties that are vacant or unoccupied for more than 60 days may be insured while rehabilitation or reconstruction work is actively in process, meaning that the insured or owner should make monthly progress in order to complete the rehabilitation or reconstruction within a one-year time frame.

c. Other specific characteristics of ownership, condition, occupancy or maintenance that violate the law and that result in substantial increased exposure to loss. Any circumstance considered under this paragraph must relate to the peril insured against.

d. Physical condition of buildings which results in an outstanding order to vacate, in an outstanding demolition order or in being declared unsafe in accordance with the applicable law.

e. One or more of the conditions for nonrenewal as listed in 191—20.54(515,515F) currently exist. The Plan shall upon notice that conditions at the buildings have changed consider new application for coverage.

f. Vandalism and malicious mischief coverage shall not be provided for a dwelling or commercial property where the property has been subject to two vandalism and malicious mischief losses, each loss amounting to at least \$500, in the immediately preceding 12-month period, or three or more such losses in the immediately preceding 24-month period.

g. Previous loss history or matters of public record concerning the applicant or any person defined as an insured under the policy.

h. Any other guidelines which have been approved by the commissioner.

20.52(2) Reserved.

[ARC 8624B, IAB 3/24/10, effective 4/28/10]

191—20.53(515,515F) Reasonable underwriting standards for liability coverage.

20.53(1) The following characteristics may be used in determining whether a risk is acceptable for liability insurance on homeowner policies:

a. Broken, cracked, uneven or otherwise faulty steps, porches, decks, sidewalks, patios and similar areas.

b. Downspouts or drains which discharge onto sidewalks or driveways.

c. Unsafe conditions including inadequate lighting of stairways.

d. Animals known to be vicious or animals that have caused a liability claim.

e. Swimming pools or private ponds not fenced in accordance with local regulations.

f. Unsafe, or the absence of, handrails.

g. Junk cars, empty refrigerators, trampolines or other potentially dangerous objects in the yard which are an attraction to children.

h. Previous loss history or matters of public record concerning the applicant or any person defined as an insured under the policy.

i. Any other guidelines which have been approved by the commissioner.

20.53(2) Liability insurance shall only be provided as contained in the Iowa FAIR Plan homeowners policy.

20.53(3) Liability insurance shall not be provided for risks with any of the deficiencies set forth in paragraphs 20.53(1) “a” through “g,” as disclosed by the application or inspection, until the deficiencies have been corrected.

20.53(4) Liability insurance may not be provided where there is a business operating at the insured location, unless the applicant has in force a business liability policy with limits of at least \$100,000 per occurrence providing premises liability coverage.

20.53(5) Liability insurance shall not be provided where the applicant owns three or more horses or other riding animals, unless the applicant has in force a liability policy with limits of at least \$100,000 per occurrence providing coverage for the ownership and use of the horses or other riding animals.

191—20.54(515,515F) Cancellation; nonrenewal and limitations; review of eligibility.

20.54(1) The Plan shall not cancel or refuse to renew a policy issued by the Plan except for the following reasons:

a. Facts as confirmed by inspection or investigation which would have been grounds for nonacceptance of the risk by the Plan had they been known to the Plan at the time of acceptance.

b. Changes in the physical condition of the property or other changed conditions as confirmed by inspection or investigation that make the risk uninsurable pursuant to paragraphs “j” and “k.”

c. Nonpayment of premiums.

d. At least 65 percent of the rental units in the building are unoccupied, and the insured has not received prior approval from the Plan of a rehabilitation program which necessitates a high degree of unoccupancy.

e. Unrepaired damage exists and the insured has stated that repairs will not be made, or such time has elapsed as clearly indicates that the damage will not be repaired. The elapsed time under this paragraph is a length of time over 60 days where the damage remains unrepaired, unless there are known to be extenuating circumstances.

f. After a loss, permanent repairs have not been commenced within 60 days following payment of the claim, unless there are known to be extenuating circumstances. The 60-day period starts upon acceptance of payment of the claim.

g. Property has been abandoned for 90 days or more.

h. There is good cause to believe, based on reliable information, that the building will be burned for the purpose of collecting the insurance on the property. The removal of damaged salvageable items, such as normally permanent fixtures, from the building shall be considered under this paragraph when the insured can provide no reasonable explanation for such removal.

i. A named insured or loss payee or other person having a financial interest in the property being convicted of the crime of arson or a crime involving a purpose to defraud an insurance company. The fact that an appeal has been entered shall not negate the use of this paragraph.

j. The property has been subject to more than two losses, each loss amounting to at least \$500 or 1 percent of the insurance in force, whichever is greater, in the immediately preceding 12-month period, or more than three such losses in the immediately preceding 24-month period, provided that the cause of such losses is due to the conditions which are the responsibility of the owner named insured or due to the actions of any person defined as an insured under the policy.

k. Theft frequency in which there have been more than two thefts, each loss amounting to at least \$500, in a 12-month period.

l. Material misrepresentation in any statement to the Plan.

m. On homeowners policies, excessive theft or liability losses. If a given property has been subject to two vandalism and malicious mischief losses, each loss amounting to at least \$500, in the immediately preceding 12-month period, or three or more such losses in the immediately preceding 24-month period, the Plan may convert the homeowners policy to a dwelling policy without vandalism and malicious mischief coverage.

20.54(2) The Plan shall terminate all insurance contracts in accordance with Iowa Code sections 515.125, 515.127, and 515.128.

20.54(3) At the completion of 36 months of coverage and prior to the completion of 48 months, each risk shall be reviewed for its eligibility for coverage in the voluntary market. The risk shall be submitted by the Plan to the producer of record, if any, for a search of the voluntary market. If the producer resubmits the risk to the Plan, the risk must be resubmitted with a new application and a written statement from the producer that a search of the voluntary market was performed.

[ARC 8624B, IAB 3/24/10, effective 4/28/10]

191—20.55(515,515F) Assessments.

20.55(1) Participation and assessments by and upon each insurer in the Plan for losses and expenses in connection with Plan business shall be levied and assessed by the governing committee of the Plan on the basis of participation factors determined annually, giving effect to the proportion which such insurer's weighted premiums written bears to the aggregate weighted premiums written by all insurers in the Plan.

20.55(2) De minimis assessments. Any assessment of less than \$20 shall not be billed to an insurer, but will be accumulated as a deferred assessment until the cumulative amount deferred is at least \$20.

20.55(3) Late payment fee. Assessments shall be due and payable when billed. If any member fails to pay an assessment within 60 days after it is due, the insurer shall pay interest from the billing date at the rate of 1.5 percent per month. In the event that an insurer fails to pay any applicable late payment fee with an assessment, the amount of such unpaid late payment fee will be included in the amount of the insurer's next assessment.

20.55(4) Credits for voluntary writings. The Plan may develop a voluntary writing credit policy, subject to approval by the commissioner. Credits may be used as offsets to member company assessments made by the Plan.

191—20.56(515,515F) Commission.

20.56(1) Commission to the licensed producer designated by the applicant shall be 10 percent of all policy premiums. The Plan shall not license or appoint producers.

20.56(2) In the event of cancellation of a policy, or if an endorsement is issued which requires the premium to be returned to the insured, the producer shall refund proportionally to the Plan commissions on the return premium at the same rate at which such commissions were originally paid.

191—20.57(515,515F) Public education. In cooperation with the insurance commissioner, the Plan shall undertake a continuing education program with insurers, producers and consumers about the Plan's insurance program and its availability. All insurers and producers shall cooperate fully in the continuing education program. Such continuing education program will include the publication and distribution of literature:

1. Describing the Plan and its general operation;
2. Explaining the possible cost savings of obtaining insurance in the voluntary market; and
3. Advising of the availability of rate comparison charts.

191—20.58(515,515F) Cooperation and authority of producers.

20.58(1) Each insurer shall require its licensed producers to cooperate fully in the accomplishment of the intents and purposes of the Plan.

20.58(2) Licensed insurance producers shall not act as agents for the Plan.

20.58(3) Licensed insurance producers shall not do any of the following:

- a.* Bind coverage for the Plan.
- b.* Alter or change policies issued by the Plan.

- c. Settle losses of the Plan.
- d. Act on behalf of the Plan or commit the Plan to any course of action.

20.58(4) Licensed insurance producers shall assist applicants who need to apply for coverage under the Plan, and shall submit applications that meet the requirements under rule 191—20.49(515,515F). Producers shall follow the rules and procedures of the Plan.

191—20.59(515,515F) Review by commissioner. The governing committee shall report to the commissioner the name of any insurer or producer which fails to comply with the provisions of the Plan or with any rules prescribed thereunder by the governing committee or to pay within 30 days any assessment levied.

191—20.60(515,515F) Indemnification. Each person serving on the governing committee or any of its subcommittees, each member of the Plan, and the manager and each officer and employee of the Plan shall be indemnified by the Plan against all cost, settlement, judgment, and expense actually and necessarily incurred by that person in connection with the defense of any action, suit, or proceeding in which that person is made a party by reason of that person's being or having been a member of the governing committee or a member or manager or officer or employee of the Plan, except in relation to matters as to which that person has been judged in an action, suit, or proceeding to be liable by reason of willful misconduct in the performance of that person's duties as a member of the governing committee or as a member, manager, officer or employee of the Plan. This indemnification shall not apply to any loss, cost or expense on insurance policy claims under the Plan. Indemnification under this rule shall not be exclusive of other rights to which the member, manager, officer, or employee may be entitled as a matter of law.

191—20.61 to 20.69 Reserved.

These rules are intended to implement 2003 Iowa Acts, chapter 119.

DIVISION III CERTIFICATES OF INSURANCE FOR COMMERCIAL LENDING TRANSACTIONS

191—20.70(515) Purpose. The purpose of division III is to clarify what information an insurance company regulated by the division may provide its customer in connection with a commercial real estate transaction between the customer and a lender.

[ARC 0133C, IAB 5/30/12, effective 5/9/12]

191—20.71(515) Definitions. For purposes of division III, the following definitions shall apply:

"ACORD" means the Association for Cooperative Operations Research and Development.

"Commercial real estate transaction" means a non-recourse commercial lending transaction in which the underlying property serves as the primary collateral securing the borrower's repayment of the loan and neither the borrower nor any of its members, partners, or shareholders, nor any related person to any of the aforementioned persons, bears the economic risk of loss in the event of a payment default under the terms of the lending transaction.

"Division" means the insurance division.

"ISO" means the insurance services office.

[ARC 0133C, IAB 5/30/12, effective 5/9/12]

191—20.72(515) Evidence of insurance.

20.72(1) Prior to the issuance of an insurance policy by an insurer, an insured who has entered into a commercial real estate transaction may request that the relevant insurer or a producer acting on behalf of the insurer provide the following items as evidence of insurance:

- a. An ACORD Form 75, a successor ACORD form, an ISO binder form, or a substantially similar binder form approved by the division; and
- b. An ACORD Form 28, a successor ACORD form, an ISO certificate form, or a substantially similar certificate of insurance form approved by the division.

The insurer or the producer acting on behalf of an insurer has the sole discretion to determine which division-approved binder form or certificate of insurance form the insurer or producer uses to comply with this rule.

20.72(2) An insurer or a producer acting on behalf of an insurer shall comply with a request made pursuant to this rule within 20 business days of the receipt of the request. The requirements of this rule shall not apply to an insurance producer who:

- a. Is unauthorized to provide the documents described in this rule; and
- b. Informs the insured of this fact within 20 business days of the receipt of the request.

20.72(3) Delivery of a binder along with a certificate of insurance requested pursuant to this rule may be accomplished by regular mail, overnight delivery, facsimile, physical delivery, electronic means, or other appropriate means.

20.72(4) Notwithstanding any language on a form provided pursuant to subrule 20.72(1) which language states that the form is for “information only,” a binder together with a certificate of insurance delivered pursuant to this rule shall be valid and may be relied upon by the borrower or by the borrower’s lender as evidence of insurance, including in any private civil action or administrative proceeding, until the delivery of the insurance policy to the borrower or the cancellation of the binder pursuant to Iowa Code sections 515.125 to 515.127.

20.72(5) An insurer or producer acting on behalf of an insurer that produces or delivers a binder and certificate of insurance to its customer pursuant to this rule may charge a reasonable fee for the production and delivery of the documents.

20.72(6) All insurers and all producers subject to this rule shall comply with the terms hereof within 90 days from May 9, 2012.

[ARC 0133C, IAB 5/30/12, effective 5/9/12]

These rules are intended to implement 2011 Iowa Code Supplement chapter 515.

191—20.73 to 20.79 Reserved.

DIVISION IV
CANCELLATIONS, NONRENEWALS AND TERMINATIONS

191—20.80(505B,515,515D,518,518A,519) Notice of cancellation, nonrenewal or termination of property and casualty insurance.

20.80(1) Purpose. The purpose of this rule is to implement the policyholder protections of Iowa Code sections 515.125, 515.126, 515.127, 515.128, 515.129, 515.129A, 515.129B, 515.129C, 515D.5, 515D.7, 518.23, 518A.29 and 519.8 by clarifying the authorized methods of delivery for notices of cancellation, nonrenewal and termination by an insurer. Presumption of receipt in the context of a postal service mailing is a well-settled principle of Iowa law (see *Montgomery Ward v. Davis*, 398 N.W.2d 869, 870-871 (Iowa 1982)), but Iowa courts have not yet recognized a presumption of receipt for electronic transmissions. Notwithstanding Iowa Code section 554D.110(4) “b,” delivery by electronic transmission, for the purposes of this rule, does not provide for satisfactory verification or acknowledgment of receipt, as required by Iowa Code section 505B.1(6).

20.80(2) Scope. This rule shall apply to all insurance companies holding a certificate of authority to transact the business of insurance under the provisions of Iowa Code chapters 508, 515, 518, and 518A.

20.80(3) Delivery and receipt. For any notice of cancellation, nonrenewal or termination by an insurer under Iowa Code sections 515.125, 515.126, 515.127, 515.128, 515.129, 515.129A, 515.129B, 515.129C, 515D.5, 515D.7, 518.23, 518A.29 and 519.8 to be effective, an insurer must, within the time frame established by law, either deliver the notice to the named insured in person or mail the notice through the U.S. Postal Service to the last-known address of the named insured. The use of U.S. Postal Service Intelligent Mail® fulfills any requirement in the Iowa Code sections cited in this subrule for certified mail or certificate of mailing as proof of mailing.

20.80(4) Electronic transmissions. Electronic transmissions do not currently satisfy the notice requirements of Iowa Code sections 515.125, 515.126, 515.127, 515.128, 515.129, 515.129A,

515.129B, 515.129C, 515D.5, 515D.7, 518.23, 518A.29 and 519.8. However, additional communication of notices by electronic means may be provided by an insurer as a service to a policyholder.

This rule is intended to implement Iowa Code chapter 505B.

[ARC 1999C, IAB 5/27/15, effective 7/1/15]

[Filed July 1, 1975]

[Filed 4/11/79, Notice 2/7/79—published 5/2/79, effective 6/7/79]

[Filed 11/20/80, Notice 9/17/80—published 12/10/80, effective 1/15/81]

[Filed 7/11/86, Notice 6/4/86—published 7/30/86, effective 9/3/86]¹

[Editorially transferred from [510] to [191], IAC Supp. 10/22/86; see IAB 7/30/86]

[Filed emergency 6/24/88—published 7/13/88, effective 7/1/88]

[Filed 12/9/88, Notice 11/2/88—published 12/28/88, effective 2/1/89]

[Filed 7/20/90, Notice 6/13/90—published 8/8/90, effective 9/12/90]

[Filed 2/7/97, Notice 1/1/97—published 2/26/97, effective 4/2/97]

[Filed 3/29/01, Notice 10/18/00—published 4/18/01, effective 7/1/01]

[Filed 11/19/03, Notice 10/1/03—published 12/10/03, effective 1/14/04]

[Filed 11/5/04, Notice 9/29/04—published 11/24/04, effective 12/29/04]

[Filed 10/5/06, Notice 8/30/06—published 10/25/06, effective 11/29/06]

[Filed 11/2/06, Notice 9/27/06—published 11/22/06, effective 12/27/06]

[Filed 3/9/07, Notice 1/31/07—published 3/28/07, effective 5/2/07]

[Filed emergency 4/18/07—published 5/9/07, effective 5/2/07]

[Filed ARC 8624B (Notice ARC 8492B, IAB 1/27/10), IAB 3/24/10, effective 4/28/10]

[Filed Emergency After Notice ARC 0133C (Notice ARC 0070C, IAB 4/4/12), IAB 5/30/12, effective 5/9/12]

[Filed ARC 1125C (Notice ARC 0892C, IAB 7/24/13), IAB 10/16/13, effective 11/20/13]

[Filed ARC 1334C (Notice ARC 1127C, IAB 10/16/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 1999C (Notice ARC 1943C, IAB 4/1/15), IAB 5/27/15, effective 7/1/15]

[Filed ARC 2227C (Notice ARC 2103C, IAB 8/19/15), IAB 10/28/15, effective 12/2/15]

¹ See IAB Insurance Division

CHAPTER 12 LOW-INCOME HOUSING TAX CREDITS

265—12.1(16) Qualified allocation plans.

12.1(1) *Four percent qualified allocation plan.* The qualified allocation plan entitled Iowa Finance Authority Low-Income Housing Tax Credit Program 4% Qualified Allocation Plan (“4% QAP”) shall be the qualified allocation plan for the allocation of 4 percent low-income housing tax credits consistent with IRC Section 42 and the applicable Treasury regulations and Iowa Code section 16.35. The 4% QAP is incorporated by reference pursuant to Iowa Code section 17A.6 and 265—subrules 17.4(2) and 17.12(2). The 4% QAP does not include any amendments or editions created subsequent to October 8, 2014.

12.1(2) *Nine percent qualified allocation plan.* The qualified allocation plan entitled Iowa Finance Authority Low-Income Housing Tax Credit Program 2016 Qualified Allocation Plan (“9% QAP”) shall be the qualified allocation plan for the allocation of 9 percent low-income housing tax credits consistent with IRC Section 42 and the applicable Treasury regulations and Iowa Code section 16.35. The 9% QAP is incorporated by reference pursuant to Iowa Code section 17A.6 and 265—subrules 17.4(2) and 17.12(2). The 9% QAP does not include any amendments or editions created subsequent to October 7, 2015.

[ARC 8266B, IAB 11/4/09, effective 12/9/09; ARC 8947B, IAB 7/28/10, effective 7/6/10; ARC 9279B, IAB 12/15/10, effective 1/19/11; ARC 9950B, IAB 12/28/11, effective 2/1/12; ARC 0427C, IAB 10/31/12, effective 12/5/12; ARC 1139C, IAB 10/30/13, effective 12/4/13; ARC 1700C, IAB 10/29/14, effective 12/3/14; ARC 2225C, IAB 10/28/15, effective 12/2/15]

265—12.2(16) Location of copies of the plans.

12.2(1) *4% QAP.* The 4% QAP can be reviewed and copied in its entirety on the authority’s Web site at <http://www.iowafinanceauthority.gov>. Copies of the 4% QAP, application, and all related attachments and exhibits shall be deposited with the administrative rules coordinator and at the state law library and shall be available on the authority’s Web site. The 4% QAP incorporates by reference IRC Section 42 and the regulations in effect as of October 8, 2014. Additionally, the 4% QAP incorporates by reference Iowa Code section 16.35. These documents are available from the state law library, and information about these statutes, regulations and rules is on the authority’s Web site.

12.2(2) *9% QAP.* The 9% QAP can be reviewed and copied in its entirety on the authority’s Web site at <http://www.iowafinanceauthority.gov>. Copies of the 9% QAP, application, and all related attachments and exhibits shall be deposited with the administrative rules coordinator and at the state law library and shall be available on the authority’s Web site. The 9% QAP incorporates by reference IRC Section 42 and the regulations in effect as of October 7, 2015. Additionally, the 9% QAP incorporates by reference Iowa Code section 16.35. These documents are available from the state law library, and information about these statutes, regulations and rules is on the authority’s Web site.

[ARC 8266B, IAB 11/4/09, effective 12/9/09; ARC 8947B, IAB 7/28/10, effective 7/6/10; ARC 9279B, IAB 12/15/10, effective 1/19/11; ARC 9950B, IAB 12/28/11, effective 2/1/12; ARC 0427C, IAB 10/31/12, effective 12/5/12; ARC 1139C, IAB 10/30/13, effective 12/4/13; ARC 1700C, IAB 10/29/14, effective 12/3/14; ARC 2225C, IAB 10/28/15, effective 12/2/15]

265—12.3(16) Compliance manual. Rescinded ARC 1700C, IAB 10/29/14, effective 12/3/14.

265—12.4(16) Location of copies of the manual. Rescinded ARC 1700C, IAB 10/29/14, effective 12/3/14.

These rules are intended to implement Iowa Code section 16.35.

[Filed 6/23/88, Notice 12/30/87—published 7/13/88, effective 8/17/88]

[Filed 3/19/91, Notice 10/17/90—published 4/3/91, effective 5/8/91]

[Filed emergency 10/6/99 after Notice 8/11/99—published 11/3/99, effective 10/6/99]

[Filed emergency 7/14/00 after Notice 5/3/00—published 8/9/00, effective 7/14/00]

[Filed 10/12/00, Notice 8/23/00—published 11/1/00, effective 12/6/00]

[Filed 10/12/01, Notice 6/27/01—published 10/31/01, effective 12/5/01]

[Filed 8/15/02, Notice 6/26/02—published 9/4/02, effective 10/9/02]

[Filed 8/13/03, Notice 6/25/03—published 9/3/03, effective 10/8/03]

[Filed 9/9/04, Notice 8/4/04—published 9/29/04, effective 11/3/04]
[Filed 8/12/05, Notice 6/22/05—published 8/31/05, effective 10/5/05]
[Filed 8/23/06, Notice 7/5/06—published 9/13/06, effective 10/18/06]
[Filed 8/9/07, Notice 7/4/07—published 8/29/07, effective 10/3/07]
[Filed 5/13/08, Notice 3/26/08—published 6/4/08, effective 7/9/08]
[Filed 7/10/08, Notice 6/4/08—published 7/30/08, effective 9/3/08]
[Filed emergency 8/19/08—published 9/10/08, effective 9/3/08]
[Filed emergency 10/14/08—published 11/5/08, effective 10/14/08]
[Filed 12/10/08, Notice 11/5/08—published 12/31/08, effective 2/4/09]
[Filed Emergency ARC 7700B, IAB 4/8/09, effective 3/19/09]
[Filed ARC 7891B (Notice ARC 7701B, IAB 4/8/09), IAB 7/1/09, effective 8/5/09]
[Filed ARC 8266B (Notice ARC 8071B, IAB 8/26/09), IAB 11/4/09, effective 12/9/09]
[Filed ARC 8723B (Notice ARC 8508B, IAB 2/10/10), IAB 5/5/10, effective 6/9/10]
[Filed Emergency ARC 8947B, IAB 7/28/10, effective 7/6/10]
[Filed ARC 9279B (Notice ARC 9160B, IAB 10/20/10), IAB 12/15/10, effective 1/19/11]
[Filed ARC 9950B (Notice ARC 9837B, IAB 11/2/11), IAB 12/28/11, effective 2/1/12]
[Filed ARC 0427C (Notice ARC 0284C, IAB 8/22/12), IAB 10/31/12, effective 12/5/12]
[Filed ARC 1139C (Notice ARC 0929C, IAB 8/7/13), IAB 10/30/13, effective 12/4/13]
[Filed ARC 1700C (Notice ARC 1585C, IAB 8/20/14), IAB 10/29/14, effective 12/3/14]
[Filed ARC 2225C (Notice ARC 2077C, IAB 8/5/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 44
IOWA AGRICULTURAL DEVELOPMENT DIVISION

265—44.1(16) General.

44.1(1) *Description of Iowa agricultural development division (IADD) board.* The IADD board consists of five members appointed by the governor. The executive director of the Iowa finance authority or the executive director's designee shall serve as an ex officio nonvoting member. Members are appointed for staggered six-year terms. The appointed members shall elect a chairperson and vice chairperson annually, and other officers as the appointed members determine. The executive director of the authority may organize the division and employ necessary qualified personnel.

44.1(2) *General course and method of operations.* The IADD board generally meets on a monthly basis or at the call of the chairperson or whenever two appointed members so request. The purpose of the meetings shall be to review progress in implementation and administration of programs, to consider and act upon proposals for assistance, and take other actions as necessary and appropriate.

44.1(3) *Location where public may submit requests for assistance or obtain information.* Requests for assistance or information should be directed to the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312; telephone (515)725-4900. Requests may be made personally, by telephone, U.S. mail or any other medium available, between the hours of 8 a.m. and 4:30 p.m., Monday through Friday. Special arrangements for accessibility to the authority at other times will be provided as needed.

[ARC 1112C, IAB 10/16/13, effective 9/26/13; ARC 1400C, IAB 4/2/14, effective 5/7/14; ARC 2009C, IAB 5/27/15, effective 7/1/15]

265—44.2(16) Definitions.

"Act" means Iowa Code chapter 16.

"Agricultural asset" means agricultural land, agricultural improvements, depreciable agricultural property, crops or livestock used for farming purposes.

"Agricultural asset transfer agreement" means any commonly accepted written agreement which specifies the terms of the transfer of operation of the agricultural asset. The agreement may be made on a cash basis or a commodity share basis.

"Agricultural improvements" means any improvements, buildings, structures or fixtures suitable for use in farming which are located on agricultural land. "Agricultural improvements" includes a single-family dwelling located on agricultural land which is or will be occupied by the beginning farmer and structures attached to or incidental to the use of the dwelling.

"Agricultural land" means land suitable for use in farming and which is or will be operated as a farm.

"Application" means a completed instrument on a form approved by IADD.

"BFCF" means beginning farmer custom farming tax credit program.

"BFCF eligible applicant" means an individual, partnership, family farm corporation or family farm limited liability company that has a net worth of not more than the maximum allowable net worth. The applicant must also satisfy all of the criteria contained in Iowa Code sections 16.79 and 16.81 and the provisions of these rules relating to recipient eligibility.

"BFLP" means beginning farmer loan program.

"BFLP eligible applicant" means an individual who has a net worth of not more than the maximum allowable net worth. The applicant must also be a beginning farmer, as defined in Iowa Code section 16.75, who satisfies all of the criteria contained in the Act and provisions of these rules relating to recipient eligibility.

"BFTC" means beginning farmer tax credit program.

"BFTC eligible applicant" means an individual, partnership, family farm corporation or family farm limited liability company that has a net worth of not more than the maximum allowable net worth. The applicant must also satisfy all of the criteria contained in Iowa Code sections 16.79 and 16.80 and the provisions of these rules relating to recipient eligibility.

"Bond purchaser" means any lender or any person, as defined in Iowa Code section 4.1(20), who purchases an authority bond under the individual agricultural development bond program.

“Cash basis agreement” means an agreement whereby operation of the agricultural asset is transferred via a fixed cash payment per annum.

“Commodity share basis” means an agreement whereby operation of the agricultural asset is transferred via a risk-sharing mechanism, whereby the agricultural asset owner receives a portion of the production as payment for use of the agricultural asset.

“Custom farming contract” means any commonly accepted written contract which specifies the terms of the work to be performed by the beginning farmer for an Iowa landowner or tenant or livestock owner. The contract must provide for the production of crops or livestock located on agricultural land. The taxpayer will pay the BFCF eligible applicant on a cash basis, and the total amount paid for each tax year that the tax credit is claimed must equal at least \$1,000. The contract must be in writing for a term of not more than 24 months. A contract is not allowed if the taxpayer and BFCF eligible applicant are: persons who hold a legal or equitable interest in the same agricultural land or livestock; related family members, such as spouse, child, stepchild, brother, or sister; or partners in the same partnership which holds a legal or equitable interest.

“Farm” means a farming enterprise which is generally recognized as a farm rather than a rural residence.

“Farming” means the cultivation of land for the production of agricultural crops, the raising of poultry, the production of eggs, the production of milk, the production of fruit or other horticultural crops, grazing, the production of livestock, aquaculture, hydroponics, the production of forest products, or other activities designated by the authority.

“IADD” means the Iowa agricultural development division of the Iowa finance authority.

“Lender” means any regulated bank, trust company, bank holding company, mortgage company, national banking association, savings and loan association, life insurance company, state or federal governmental agency or instrumentality, or other financial institution or entity authorized and able to make mortgage loans or secured loans in this state.

“Low-income farmer” means a farmer who cannot obtain financing to purchase agricultural property without the assistance of an LPP loan with the authority.

“LPP” means loan participation program.

“LPP eligible applicant” means an individual who has a net worth of not more than the maximum allowable net worth. The applicant must be a low-income farmer who cannot obtain financing to purchase agricultural property without the assistance of an LPP loan and who satisfies all of the criteria contained in the Act and the provisions of these rules relating to recipient eligibility.

“LPP loan” means the “last-in/last-out” loan participation requested by the lender from the authority.

“Maximum allowable net worth” for calendar year 2013 is \$691,172. The maximum allowable net worth for each calendar year shall be increased or decreased as of January 1 of such calendar year by an amount equal to the percentage increase or decrease (September to September) in the United States Department of Agriculture “Index of Prices Paid for Commodities and Services, Interest, Taxes, and Farm Wage Rates” reported as of October 1 of the immediately preceding calendar year.

“Net worth” means total assets minus total liabilities as determined in accordance with generally accepted accounting principles with appropriate exceptions and exemptions reasonably related to an equitable determination of the net worth of the individual, partnership, limited liability company or corporation. Assets shall be valued at fair market value.

“Participated loan” means a loan, any portion of which is participated to the authority by the lender.

“Total assets” means all assets including but not limited to cash, crops or feed on hand, livestock held for sale, breeding stock, marketable bonds and securities, securities not readily marketable, accounts receivable, notes receivable, cash invested in growing crops, net cash value of life insurance, machinery, equipment, cars, trucks, farm and other real estate including life estates and personal residence, value of beneficial interest in a trust, government payments or grants, and any other assets.

“Total assets” shall not include items used for personal, family or household purposes by the applicant; but in no event shall any property be excluded, to the extent a deduction for depreciation is allowable for federal income tax purposes. All assets shall be valued at fair market value by the lender.

The value shall be what a willing buyer would pay a willing seller in the locality. A deduction of 10 percent may be made from fair market value of farm and other real estate.

“Total liabilities” means all liabilities including but not limited to accounts payable, notes or other indebtedness owed, taxes, rent, amount owed on any real estate contract or real estate mortgage, judgments, accrued interest payable, and any other liabilities. Liabilities shall be determined on the basis of generally accepted accounting principles.

In only those cases where the liabilities include an amount for deferred tax liability that causes the applicant’s net worth to change from exceeding the maximum allowable net worth to an amount no greater than the maximum allowable net worth, the applicant is required to have a certified public accountant prepare the financial statement and provide supporting calculations and documentation acceptable to the board.

“Veteran” means the same as defined in Iowa Code section 35.1.

[ARC 1112C, IAB 10/16/13, effective 9/26/13; ARC 1400C, IAB 4/2/14, effective 5/7/14; ARC 2009C, IAB 5/27/15, effective 7/1/15; ARC 2226C, IAB 10/28/15, effective 12/2/15]

265—44.3(16) General recipient eligibility.

44.3(1) Residence. The eligible applicant must be a resident of Iowa. The project must be located in Iowa.

44.3(2) Training and experience. The eligible applicant must have documented to the satisfaction of the authority sufficient education, training, and experience for the anticipated farm operations.

44.3(3) Access to capital. The eligible applicant must demonstrate to the satisfaction of the authority access to the following as may be needed: adequate working capital, farm machinery, livestock, and agricultural land.

[ARC 1112C, IAB 10/16/13, effective 9/26/13; ARC 1400C, IAB 4/2/14, effective 5/7/14; ARC 2009C, IAB 5/27/15, effective 7/1/15]

265—44.4(16) Beginning farmer loan program.

44.4(1) Individual agricultural development bond program description. This program is intended to allow BFLP eligible applicants to obtain lower interest rate loans for qualified purposes by obtaining loan funds from the proceeds of a tax-exempt bond issued by the authority and purchased by the bond purchaser. The authority will enter into a loan agreement with the BFLP eligible applicant and assign that BFLP loan to the bond purchaser. At the same time, the authority will issue a tax-exempt bond in the amount of the BFLP loan, and the bond purchaser will purchase that bond, which is used to fund the BFLP loan assigned to the bond purchaser. The bond which is issued by the authority and purchased by the bond purchaser is a nonrecourse obligation. The only security for the bond purchaser is the underlying security on the assigned BFLP loan.

44.4(2) Application procedures. The BFLP eligible applicant may apply for a BFLP loan with any bond purchaser. Any BFLP loan approved will be assigned to that bond purchaser. BFLP loan eligibility is determined by the requirements of the Act and the rules of the authority.

a. If a BFLP eligible applicant meets the BFLP loan eligibility requirements, the decision on whether to enter into the loan agreement is between the BFLP eligible applicant and the bond purchaser. The BFLP eligible applicant and bond purchaser must agree on the terms of the loan, such as interest rates, length of loan, down payment, service fees, origination charges and repayment schedule. The terms may not be more onerous than terms charged to similar customers for similar loans, taking into account the tax-exempt nature of interest on the BFLP loan.

b. Following completion of the BFLP loan application by the BFLP eligible applicant and approval by the bond purchaser, the BFLP loan application must be submitted to the authority for its review and approval.

c. The authority’s review will include, but not be limited to, whether:

- (1) The BFLP loan applicant is a BFLP eligible applicant;
- (2) The BFLP loan proceeds will be used for a qualified purpose under the Act, rules of the authority, and the Internal Revenue Code and IRS regulations relating to private activity bonds;
- (3) The terms of the BFLP loan comply with these rules; and
- (4) The bond purchaser meets the definition of a lender or bond purchaser.

d. The authority may require that the bond purchaser furnish any information which the authority deems necessary to determine whether the bond purchaser qualifies as either a lender or bond purchaser. If the authority determines that the bond purchaser does not qualify as either a lender or bond purchaser, it may deny the application.

e. The authority may charge fees as needed to defray its costs for processing the BFLP loan and bond.

44.4(3) *Issuance of bond.* All bonds issued by the authority will conform to all applicable requirements of the United States Internal Revenue Code of 1986 as amended, and its regulations.

a. Public hearings may be held by a staff member, board member of the IADD, an appointee or employee of the authority, or other qualified hearing officer.

b. Following approval of the BFLP loan by the authority, and upon completion of a public hearing and approval of the bond issuance by the governor or another elected state official designated by the governor, the authority will issue a bond, to be purchased by the bond purchaser, in the amount and fitting the terms of the BFLP loan to the BFLP eligible applicant. The principal and interest on the bond are a limited obligation payable solely out of the revenues derived from the BFLP loan to the BFLP eligible applicant and the underlying collateral or other security furnished by or on behalf of the BFLP eligible applicant. The bond purchaser shall have no other recourse against the authority. The principal and interest on the bond do not constitute an indebtedness of the authority or a charge against its general credit or general fund.

44.4(4) *Priority of applications.* Applications shall be processed by the authority on a first-come, first-served basis, based upon the receipt of all completed documents by the authority.

44.4(5) *Procedures following bond issuance.* No bond proceeds may be used for a nonqualified purpose or by a nonqualified user. Following disbursement of the bond proceeds, the bond purchaser and BFLP eligible applicant may be required to certify to the authority that the proceeds were used by the BFLP eligible applicant for a qualified purpose.

44.4(6) *Assignment of BFLP loans by bond purchasers.* A bond purchaser may assign a BFLP loan in whole or in part to any person, as defined in Iowa Code section 4.1(20). Servicing of the BFLP loan may also be assigned. The authority must be notified in writing prior to assignment of the BFLP loan.

44.4(7) *Assumption of BFLP loans, substitution of collateral and transfer of property.* BFLP loans may not be assumed without the prior approval of the authority, and then only if the purchaser of the property is a BFLP eligible applicant for a BFLP loan. Equipment and other depreciable property may be exchanged or traded for similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the bond purchaser without the prior approval of the authority.

44.4(8) *Right to audit.* The authority shall have at any time the right to audit the records of the bond purchaser and the BFLP eligible applicant relating to the BFLP loan and bond to ensure that bond proceeds were used for a qualified purpose by a qualified user.

[ARC 1112C, IAB 10/16/13, effective 9/26/13; ARC 1400C, IAB 4/2/14, effective 5/7/14; ARC 2009C, IAB 5/27/15, effective 7/1/15; ARC 2226C, IAB 10/28/15, effective 12/2/15]

265—44.5(16) Loan participation program.

44.5(1) *Program summary.* The loan participation program is intended to assist lenders and LPP eligible applicants (hereinafter referred to as “borrower(s)”) by purchasing a portion of a loan made by a lender to a borrower for the purchase of agricultural property.

a. Supplement to borrower’s down payment. The LPP loan can be used to supplement the borrower’s down payment so that the borrower can more readily secure a loan (the “participated loan”) from a lender.

b. Last-in/last-out collateral position. The program enables lenders to request a “last-in/last-out” LPP loan from the authority. The lender, on behalf of the borrower, shall apply for the LPP loan on application forms provided by the authority.

c. Lender’s certification. The lender and the borrower shall certify that the information included in the application and any other documents submitted for consideration is true and correct to the best of their knowledge.

d. *LPP loan in conjunction with BFLP loan.* The loan participation program may be used in conjunction with the authority's beginning farmer loan program, provided the borrower meets the criteria for both programs.

44.5(2) Underwriting criteria. Commercial underwriting criteria will be used as determined by the authority.

44.5(3) Eligible projects and activities.

a. *Use of project.* LPP loans must be for new purchases or new construction. Assets purchased or constructed with LPP loan funds must be used for agricultural purposes.

b. *Agricultural land.* The participated loan can be used for the purchase of agricultural land, which may include small acreages on which sufficient agricultural improvements are located to conduct a livestock operation. If a house is located on land for which an LPP loan is requested, an appraisal of the house will be made. If the appraised value of the house exceeds 50 percent of the appraised value of the property or total collateral, then the property will not be eligible for an LPP loan.

c. *Agricultural improvements.* The participated loan can be used for the construction or purchase of improvements located on agricultural land (which is suitable for use in farming). Examples of such improvements include, but are not limited to, the following: confinement systems for swine, cattle, or poultry; barns or other outbuildings; and grain storage facilities and silos.

d. *Livestock used for breeding purposes.* The participated loan can be used for the purchase of livestock for which an income tax deduction for depreciation is allowed in computing state and federal income taxes.

e. *Machinery and equipment.* The participated loan can be used for the purchase of agricultural machinery and equipment for which an income tax deduction for depreciation is allowed in computing state and federal income taxes. This machinery and equipment must be used in the borrower's farming operation.

f. *Interim financing by lender.* Interim financing by the lender is allowed.

44.5(4) Ineligible projects and activities. The following program activities are ineligible:

a. *Refinancing of existing debt.* Refinancing of existing debt or new purchases which have been incurred by the borrower more than 60 days prior to approval of the LPP loan by the authority.

b. *Financing personal expenses.* Financing personal or living expenses and working capital to purchase such items as feed, seed, fertilizer, fuel, and feeder livestock.

c. *Down payment funds for contract sale.* Down payment for a contract sale, or in connection with a loan from a nonregulated lender.

44.5(5) Program parameters.

a. *Purchase price impact.* Maximum LPP loan amount and loan terms will be determined by the IADD board.

b. *LPP interest rate.* The IADD board will set the interest rate on the LPP loan.

c. *LPP loans outstanding.* Loans under the program may be issued more than once, provided that the outstanding LPP loan totals do not exceed the maximum amount set by the IADD board.

44.5(6) LPP loan application procedures.

a. *Financial statement.* Lenders may use their own form of financial statement. The authority may require other forms deemed necessary and appropriate to document the eligibility of the borrower and the borrower's ability to make principal and interest payments.

If the borrower or the borrower's spouse is involved in a business, partnership, limited liability company, or corporation, either related or unrelated to the borrower's farming operation, a financial statement from this entity must also be submitted with the application.

b. *Income statement.* A copy of the borrower's prior three years' federal income tax returns (if available) shall be submitted.

c. *Background letter.* The application will also include a background letter on the borrower, documenting to the satisfaction of the authority sufficient training, experience and access to capital.

d. *Credit evaluation.* The lender will submit a credit evaluation of the project for which an LPP loan is sought. The lender will evaluate the borrower's net worth and ability to pay principal and interest

and certify the sufficiency of security for the participated loan. The authority will review the application and make its own credit evaluation prior to issuance of an LPP loan.

e. Processing LPP loan applications. Applications for the program will be taken and processed by the authority on a first-come, first-served basis. The authority reserves the right to change the program or terminate the approval of LPP loans under the program at any time. Grounds for termination/suspension of the program would include, but not be limited to, reaching the maximum allowable limit for total outstanding LPP loans as established by the authority or changing the program by order of the Iowa general assembly or by rules promulgated by the authority.

f. Security for participated loans and use of security documents. The lender shall take any security, cosignatures, guarantees or sureties that are deemed necessary for any participated loan. Any guarantee of repayment or pledge of additional collateral required by the lender to secure the participated loan shall secure the entire participated loan.

g. Recording documents and fees. Any recording or filing fees or transfer taxes associated with the participated loan will be paid by the borrower or lender and not the authority. Also, the authority will have no responsibility with respect to the preparation, execution, or filing of any declaration of value or groundwater hazard statements.

44.5(7) Loan administration procedures.

a. Lender's responsibilities. The lender is responsible for servicing the participated loan following accepted standards of loan servicing and for transferring LPP loan payments to the authority.

(1) At the request of IADD, the lender shall:

1. On an annual basis, provide the authority with copies of a current financial statement or a current tax return, or both.

2. Provide copies of insurance to the authority with the lender named as loss payee. The lender will apply payments to the participated loan on a pro-rata basis.

(2) The lender shall not, without prior consent of the authority:

1. Make or consent to any substantial alterations in the terms of any participated loan instrument;

2. Make or consent to releases of security or collateral unless replaced with collateral of equal value on the participated loan;

3. Use the collateral purchased with funds from the participated loan as security for any other loan without prior written consent of the authority;

4. Accelerate the maturity of the participated loan;

5. Sue upon any participated loan instrument;

6. Waive any claim against any borrower, cosignor, guarantor, obligor, or standby creditor arising out of any instruments.

b. Payment due dates. Payment due dates for the LPP loan will be the same as for the lender's share of the loan.

c. Prepayment penalty. There is no penalty for early repayment of principal or interest.

d. Repayment proceeds and collateral. Without limitation, the repayment of proceeds and collateral shall include rights of setoff and counterclaim, which the lender or the authority jointly or severally may at any time recover on any participated loan.

e. Subsequent loans. Any loan or advance made by a lender to a borrower subsequent to obtaining an LPP loan under the program and secured by collateral or security pledged for the participated loan will be subordinate to the participated loan.

f. Events of loan default.

(1) Default will occur when the participated loan payment is 30 days past due. Notice to cure will be sent to the borrower with a copy sent to the authority; and the lender will take appropriate steps to cure the default through mediation, liquidation, or foreclosure if needed.

(2) After a participated loan is in default for a period of 30 days, the lender shall file with the authority monthly reports regarding the status of the participated loan.

(3) The authority may, anytime a participated loan is in default, purchase the unpaid portion of the participated loan from the lender including the note, security agreements, additional guarantees, and other documents. The authority would become the servicer of the participated loan in such case.

g. Applying principal and interest payments. Lenders shall receive all payments of principal and interest. All payments made prior to liquidation or foreclosure shall be made on a pro-rata basis. All accrued interest must be paid to zero at least annually on the anniversary date of the note.

h. Application of proceeds of loan liquidation. Application of proceeds of loan liquidation will be determined after a written liquidation plan is approved by the authority or the authority's loan committee. All amounts recovered upon liquidation or foreclosure will be applied first to the unpaid balance of the lender's portion and then to the unpaid portion of the LPP loan's portion. All funds received from liquidation or foreclosure procedures shall be applied in the following order of priority:

First Priority: To the payment of the outstanding principal of and accrued interest on the lender's portion of the participated loan;

Second Priority: To the payment of the outstanding principal of and accrued interest on the authority's LPP loan;

Third Priority: To the payment on a pro-rata basis of all reasonable and necessary expenses incurred by the lender or the authority in connection with such liquidation or foreclosure procedures.

44.5(8) Right to audit. The authority shall have, at any time, the right to audit records of the lender and the borrower relating to any participated loan made under the program.

[ARC 1112C, IAB 10/16/13, effective 9/26/13; ARC 1400C, IAB 4/2/14, effective 5/7/14; ARC 2009C, IAB 5/27/15, effective 7/1/15; ARC 2226C, IAB 10/28/15, effective 12/2/15]

265—44.6(16) Beginning farmer tax credit program.

44.6(1) General provisions.

a. Term. The term of the credit shall be equal to the term of the agricultural assets transfer agreement, except that any unused credit may be carried forward for a period of ten years if unused in the tax year the credits are earned. Credits may not be carried back to past tax years.

b. Fees. The authority may charge reasonable and necessary fees to defray the costs of this program.

c. Expiration of lease. The BFTC eligible applicant will continue to be eligible for the term of the lease. Upon expiration of the lease, both the taxpayer and BFTC eligible applicant must reapply to continue the tax credit.

44.6(2) Application procedures.

a. The authority shall prepare and make available appropriate forms to be used in making application for the tax credit, including forms for both the taxpayer and the BFTC eligible applicant.

b. Each application shall include, but not be limited to, the following:

(1) Taxpayer information: name and address, e-mail address if available, social security number, length of the lease, type of lease, and location of the agricultural asset to be leased. In addition, the application shall have attached to it a copy of the lease agreement between the parties.

(2) BFTC eligible applicant information: name and address, e-mail address if available, and location of the asset to be leased. In addition, the application shall have attached to it a copy of the BFTC eligible applicant's most recent financial statement (generally prepared one month preceding application submission). The application will also include a background letter on the BFTC eligible applicant documenting to the satisfaction of the authority sufficient training, experience and access to capital. This letter may be submitted by one or more of the following: the BFTC eligible applicant, the taxpayer or another third party.

c. Complete applications shall be processed in the order they are received by the authority.

44.6(3) Execution of an agricultural assets transfer agreement. In addition to the requirements of rule 265—44.6(16), both the taxpayer and the BFTC eligible applicant shall execute an agricultural assets transfer agreement. The form used shall be a commonly accepted form and signed by all parties.

44.6(4) Procedures following tax credit approval. Either the BFTC eligible applicant or the taxpayer shall immediately notify the authority of any material changes in the agricultural assets transfer agreement. Written approval from the authority is required if the change impacts the amount of the tax credit awarded. The authority shall act upon these changes pursuant to Iowa Code section 16.80.

[ARC 1112C, IAB 10/16/13, effective 9/26/13; ARC 1400C, IAB 4/2/14, effective 5/7/14; ARC 2009C, IAB 5/27/15, effective 7/1/15; ARC 2226C, IAB 10/28/15, effective 12/2/15]

265—44.7(16) Beginning farmer custom farming tax credit program.**44.7(1) General provisions.**

a. Term. The term of the credit shall not exceed the term of the contract, except that any unused credit may be carried forward for a period of ten years if unused in the tax year the credits are earned. Credits may not be carried back to past tax years.

b. Fees. The authority may charge reasonable and necessary fees to defray the costs of this program.

c. Expiration of custom hire contract. The BFCF eligible applicant will continue to be eligible during the years of the custom farming contract. Upon expiration of the contract, both the taxpayer and BFCF eligible applicant must reapply to qualify for subsequent tax credits.

44.7(2) Application procedures.

a. The authority shall prepare and make available appropriate forms to be used in making application for the tax credit, including forms for both the taxpayer and the BFCF eligible applicant.

b. Each application shall include, but not be limited to, the following:

(1) Taxpayer information: name and address, e-mail address if available, social security number, and description of the custom hire work completed. In addition, the application shall have attached to it a copy of the custom hire contract between the parties.

(2) BFCF eligible applicant information: name and address, e-mail address if available, and description of the custom hire work completed. In addition, the application shall have attached to it a copy of the BFCF eligible applicant's most recent financial statement (generally prepared one month preceding application submission). The application will also include a background letter on the BFCF eligible applicant documenting to the satisfaction of the authority sufficient training, experience and access to capital. This letter may be submitted by one or more of the following: the BFCF eligible applicant, the taxpayer or another third party.

c. Complete applications shall be processed in the order they are received by the authority.

44.7(3) Execution of custom farming contract. In addition to the requirements set forth in rule 265—44.7(16), both the taxpayer and the BFCF eligible applicant shall execute a custom farming contract. The form used shall be a commonly accepted form and signed by all parties.

44.7(4) Calculation of custom hire tax credit. The taxpayer and BFCF eligible applicant will submit a completed application to the authority, including a list of all custom work completed by the BFCF eligible applicant. The application will also include verification of all payments made to the BFCF eligible applicant for work completed.

44.7(5) Procedures following tax credit approval. Either the BFCF eligible applicant or the taxpayer shall immediately notify the authority of any material changes in the custom hire contract. Written approval from the authority is required if the change impacts the amount of the tax credit awarded. The authority shall act upon these changes pursuant to Iowa Code section 16.81.

[ARC 1112C, IAB 10/16/13, effective 9/26/13; ARC 1400C, IAB 4/2/14, effective 5/7/14; ARC 2009C, IAB 5/27/15, effective 7/1/15; ARC 2226C, IAB 10/28/15, effective 12/2/15]

These rules are intended to implement Iowa Code sections 16.4A, 16.4B, 16.5D, and 16.75 to 16.84.

[Filed Emergency ARC 1112C, IAB 10/16/13, effective 9/26/13]

[Filed ARC 1400C (Notice ARC 1113C, IAB 10/16/13), IAB 4/2/14, effective 5/7/14]

[Filed ARC 2009C (Notice ARC 1905C, IAB 3/4/15), IAB 5/27/15, effective 7/1/15]

[Filed ARC 2226C (Notice ARC 2127C, IAB 9/2/15), IAB 10/28/15, effective 12/2/15]

COLLEGE STUDENT AID COMMISSION[283]

[Prior to 8/10/88, see College Aid Commission[245]]

CHAPTER 1**ORGANIZATION AND OPERATION**

- 1.1(261) Purpose
- 1.2(261) Organization and operations

CHAPTER 2**COMMISSION PROCEDURE FOR RULE MAKING**

- 2.1(17A) Applicability
- 2.2(17A) Advice on possible rules before notice of proposed rule adoption
- 2.3(17A) Public rule-making docket
- 2.4(17A) Notice of proposed rule making
- 2.5(17A) Public participation
- 2.6(17A) Regulatory analysis
- 2.7(17A,25B) Fiscal impact statement
- 2.8(17A) Time and manner of rule adoption
- 2.9(17A) Variance between adopted rule and published notice of proposed rule adoption
- 2.10(17A) Exemptions from public rule-making procedures
- 2.11(17A) Concise statement of reasons
- 2.12(17A) Contents, style, and form of rule
- 2.13(17A) Agency rule-making record
- 2.14(17A) Filing of rules
- 2.15(17A) Effectiveness of rules prior to publication
- 2.16(17A) General statements of policy
- 2.17(17A) Review by commission of rules

CHAPTER 3**DECLARATORY ORDERS**

- 3.1(17A) Petition for declaratory order
- 3.2(17A) Notice of petition
- 3.3(17A) Intervention
- 3.4(17A) Briefs
- 3.5(17A) Inquiries
- 3.6(17A) Service and filing of petitions and other papers
- 3.7(17A) Consideration
- 3.8(17A) Action on petition
- 3.9(17A) Refusal to issue order
- 3.10(17A) Contents of declaratory order—effective date
- 3.11(17A) Copies of orders
- 3.12(17A) Effect of a declaratory order

CHAPTER 4**DUE PROCESS**

- 4.1(261) Appeals

CHAPTER 5**CONTESTED CASES**

- 5.1(17A) Scope and applicability
- 5.2(17A) Definitions
- 5.3(17A) Time requirements

5.4(17A)	Requests for contested case proceeding
5.5(17A)	Notice of hearing
5.6(17A)	Presiding officer
5.7(17A)	Waiver of procedures
5.8(17A)	Telephone proceedings
5.9(17A)	Disqualification
5.10(17A)	Consolidation—severance
5.11(17A)	Pleadings
5.12(17A)	Service and filing of pleadings and other papers
5.13(17A)	Discovery
5.14(17A)	Subpoenas
5.15(17A)	Motions
5.16(17A)	Prehearing conference
5.17(17A)	Continuances
5.18(17A)	Withdrawals
5.19(17A)	Intervention
5.20(17A)	Hearing procedures
5.21(17A)	Evidence
5.22(17A)	Default
5.23(17A)	Ex parte communication
5.24(17A)	Recording costs
5.25(17A)	Interlocutory appeals
5.26(17A)	Final decision
5.27(17A)	Appeals and review
5.28(17A)	Applications for rehearing
5.29(17A)	Stays of commission actions
5.30(17A)	No factual dispute contested cases
5.31(17A)	Emergency adjudicative proceedings

CHAPTER 6

PUBLIC RECORDS AND FAIR INFORMATION PRACTICES

6.1(17A,22)	Definitions
6.2(17A,22)	Statement of policy
6.3(17A,22)	Requests for access to records
6.4(17A,22)	Access to confidential records
6.5(17A,22)	Requests for treatment of a record as a confidential record and its withholding from examination
6.6(17A,22)	Procedure by which additions, dissents, or objections may be entered into certain records
6.7(17A,22)	Consent to disclosure by the subject of a confidential record
6.8(17A,22)	Notice to suppliers of information
6.9(17A,22)	Routine use
6.10(17A,22)	Consensual disclosure of confidential records
6.11(17A,22)	Release to subject
6.12(17A,22)	Availability of records

CHAPTER 7

UNIFORM RULES FOR WAIVERS

7.1(261,ExecOrd11,17A)	Waiver process
7.2(261,ExecOrd11,17A)	Definition
7.3(261,ExecOrd11,17A)	Scope of chapter
7.4(261,ExecOrd11,17A)	Applicability of chapter

- 7.5(261,ExecOrd11,17A) Criteria for waiver
- 7.6(261,ExecOrd11,17A) Mandatory waivers
- 7.7(261,ExecOrd11,17A) Burden of persuasion
- 7.8(261,ExecOrd11,17A) Special waiver rule not precluded
- 7.9(261,ExecOrd11,17A) Administrative deadlines
- 7.10(261,ExecOrd11,17A) Filing of petition
- 7.11(261,ExecOrd11,17A) Contested case
- 7.12(261,ExecOrd11,17A) Contents of petition
- 7.13(261,ExecOrd11,17A) Additional information
- 7.14(261,ExecOrd11,17A) Notice
- 7.15(261,ExecOrd11,17A) Hearing procedures
- 7.16(261,ExecOrd11,17A) Ruling
- 7.17(261,ExecOrd11,17A) Commission discretion
- 7.18(261,ExecOrd11,17A) Narrowly tailored exception
- 7.19(261,ExecOrd11,17A) Conditions
- 7.20(261,ExecOrd11,17A) Time period of waiver
- 7.21(261,ExecOrd11,17A) Timing for ruling
- 7.22(261,ExecOrd11,17A) When deemed denied
- 7.23(261,ExecOrd11,17A) Service of order
- 7.24(261,ExecOrd11,17A) Public availability
- 7.25(261,ExecOrd11,17A) Voiding or cancellation
- 7.26(261,ExecOrd11,17A) Violations
- 7.27(261,ExecOrd11,17A) Defense
- 7.28(261,ExecOrd11,17A) Judicial review

CHAPTER 8

ALL IOWA OPPORTUNITY SCHOLARSHIP PROGRAM

- 8.1(261) Basis of aid
- 8.2(261) Definitions
- 8.3(261) Eligibility requirements
- 8.4(261) Awarding of funds
- 8.5(261) Restrictions

CHAPTER 9

ALL IOWA OPPORTUNITY FOSTER CARE GRANT PROGRAM

- 9.1(261) Basis of aid
- 9.2(261) Definitions
- 9.3(261) Eligibility requirements
- 9.4(261) Awarding of funds
- 9.5(261) Disbursement of grant
- 9.6(261) Award transfers and adjustments
- 9.7(261) Restrictions

CHAPTER 10

UNIFORM POLICIES

- 10.1(261) Purpose
- 10.2(261) Definition

CHAPTER 11

Reserved

CHAPTER 12

IOWA TUITION GRANT PROGRAM

- 12.1(261) Tuition grant based on financial need to Iowa residents enrolled at eligible private institutions of postsecondary education in Iowa
- 12.2(261) Tuition grant institutional eligibility requirements

CHAPTER 13

IOWA VOCATIONAL-TECHNICAL TUITION GRANT PROGRAM

- 13.1(261) Tuition grant based on financial need to Iowa residents enrolled in vocational or technical (career education) programs at community colleges in the state

CHAPTER 14

HEALTH CARE PROFESSIONAL RECRUITMENT PROGRAM

- 14.1(261) Definitions
- 14.2(261) Health care professional loan repayment program
- 14.3(261) Osteopathic forgivable loan

CHAPTERS 15 and 16

Reserved

CHAPTER 17

BARBER AND COSMETOLOGY ARTS AND SCIENCES TUITION GRANT PROGRAM

- 17.1(261) Tuition grant based on financial need to Iowa residents enrolled in barber and cosmetology arts and sciences programs at colleges in the state
- 17.2(261) Tuition grant institutional eligibility requirements

CHAPTER 18

IOWA WORK-STUDY PROGRAM

- 18.1(261) Administrative procedures
- 18.2(261) Student eligibility
- 18.3(261) College and university eligibility
- 18.4(261) Award notices
- 18.5(261) Disbursement schedule
- 18.6(261) Matching funds
- 18.7(261) Due process
- 18.8(261) Student award notification
- 18.9(261) Unused funds
- 18.10(261) Employment restrictions
- 18.11(261) Restrictions

CHAPTER 19

Reserved

CHAPTER 20

IOWA NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

- 20.1(261) Educational assistance to Iowa national guard members for undergraduate studies at eligible Iowa institutions

CHAPTER 21

APPROVAL OF POSTSECONDARY SCHOOLS

- 21.1(261B) Postsecondary registration
- 21.2(261B) Approval criteria
- 21.3(261B) Additional approval criteria for an applicant school that applies for registration to maintain a fixed location in Iowa

- 21.4(261B) Additional criteria for an out-of-state applicant school that applies for registration to offer programs via in-person instruction but in a nontraditional format
- 21.5(261B) Additional approval criteria and exception for an out-of-state applicant school that applies for registration to offer distance education programs
- 21.6(261B) Recruiting for an out-of-state applicant school's residential programs from an Iowa location
- 21.7(261B) Provisional registration
- 21.8(261B) School, Iowa site, or program closure
- 21.9(261B) Registration fees
- 21.10(261B) Authorization to operate in Iowa for certain private, nonprofit colleges and universities exempt from registration

CHAPTER 22

IOWA MINORITY GRANTS FOR ECONOMIC SUCCESS (IMAGES)

- 22.1(261) Iowa minority grants for economic success

CHAPTER 23

SKILLED WORKFORCE SHORTAGE TUITION GRANT PROGRAM

- 23.1(261) Tuition grant based on financial need to Iowa residents enrolled in career-technical or career option programs at community colleges in the state

CHAPTER 24

RURAL IOWA PRIMARY CARE LOAN REPAYMENT PROGRAM

- 24.1(261) Rural Iowa primary care loan repayment program
- 24.2(261) Definitions
- 24.3(261) Eligibility requirements
- 24.4(261) Awarding of funds
- 24.5(261) Waivers
- 24.6(261) Loan repayment cancellation
- 24.7(261) Restrictions

CHAPTER 25

RURAL IOWA ADVANCED REGISTERED NURSE PRACTITIONER AND PHYSICIAN ASSISTANT LOAN REPAYMENT PROGRAM

- 25.1(261) Rural Iowa advanced registered nurse practitioner and physician assistant loan repayment program
- 25.2(261) Definitions
- 25.3(261) Eligibility requirements
- 25.4(261) Awarding of funds
- 25.5(261) Waivers
- 25.6(261) Loan repayment cancellation
- 25.7(261) Restrictions

CHAPTER 26

Reserved

CHAPTER 27

IOWA GRANT PROGRAM

- 27.1(261) State-supported grants

CHAPTER 28

TEACH IOWA SCHOLAR PROGRAM

- 28.1(261) Teach Iowa scholar program
- 28.2(261) Definitions

- 28.3(261) Eligibility requirements
- 28.4(261) Awarding of funds
- 28.5(261) Award cancellation

CHAPTERS 29 to 31

Reserved

CHAPTER 32

CHIROPRACTIC GRADUATE STUDENT FORGIVABLE LOAN PROGRAM

- 32.1(261) Chiropractic graduate student forgivable loan program

CHAPTER 33

CHIROPRACTIC LOAN FORGIVENESS PROGRAM

- 33.1(261) Chiropractic loan forgiveness program
- 33.2(261) Eligibility
- 33.3(261) Awarding of funds
- 33.4(261) Loan forgiveness cancellation
- 33.5(261) Restrictions

CHAPTER 34

REGISTERED NURSE AND NURSE EDUCATOR LOAN FORGIVENESS PROGRAM

- 34.1(261) Registered nurse and nurse educator loan forgiveness program
- 34.2(261) Definitions
- 34.3(261) Eligibility requirements
- 34.4(261) Awarding of funds
- 34.5(261) Loan forgiveness cancellation
- 34.6(261) Restrictions

CHAPTER 35

IOWA TEACHER SHORTAGE LOAN FORGIVENESS PROGRAM

- 35.1(261) Iowa teacher shortage loan forgiveness program
- 35.2(261) Definitions
- 35.3(261) Eligibility requirements
- 35.4(261) Awarding of funds
- 35.5(261) Loan forgiveness cancellation
- 35.6(261) Restrictions

CHAPTER 36

GOVERNOR TERRY E. BRANSTAD

IOWA STATE FAIR SCHOLARSHIP PROGRAM

- 36.1(77GA,ch1215) Governor Terry E. Branstad Iowa state fair scholarship program

CHAPTER 37

STUDENT LOAN DEBT COLLECTION

- 37.1(261) General purpose
- 37.2(261) Definitions
- 37.3(261) License sanction program
- 37.4(261) Administrative wage garnishment procedures
- 37.5(261) Offset against state income tax refund or rebate

CHAPTER 8
ALL IOWA OPPORTUNITY SCHOLARSHIP PROGRAM

283—8.1(261) Basis of aid. Assistance available under the all Iowa opportunity scholarship program is based on the financial need of Iowa residents enrolled at eligible Iowa colleges and universities.
[ARC 1958C, IAB 4/15/15, effective 5/20/15]

283—8.2(261) Definitions. As used in this chapter:

“Eligible college or university” means an Iowa community college, an institution of higher education governed by the state board of regents, or an accredited private institution located in Iowa that meets all eligibility requirements set forth in Iowa Code section 261.9. All eligible colleges and universities must submit annual reports which include student and faculty information, enrollment and employment information, and other information required by the commission as described in Iowa Code section 261.9.

“Expected family contribution (EFC)” is the means by which the commission ranks the relative need of an applicant for financial assistance. Expected family contribution shall be evaluated annually on the basis of a confidential statement of family finances filed on a form designated by the commission. The commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine expected family contribution. Relative need will be ranked based on the applicant’s expected family contribution (EFC) provided by the U.S. Department of Education. The FAFSA must be received by the processing agent by the date specified in the application instructions.

“Full-time” means enrollment at an eligible college or university in a course of study including at least 12 semester hours or the trimester or quarter equivalent.

“Iowa resident” means a person who meets the residency requirements established in 283—Chapter 10.

“Part-time” means enrollment at an eligible college or university in a course of study including at least three semester hours or the trimester or quarter equivalent.

[ARC 2205C, IAB 10/28/15, effective 12/2/15; ARC 2206C, IAB 10/28/15, effective 12/2/15]

283—8.3(261) Eligibility requirements.

8.3(1) Applicants for the all Iowa opportunity scholarship program must complete the Free Application for Federal Student Aid (FAFSA) by the date specified in the application instructions and any additional applications or documents required by the commission. In addition to completing the FAFSA, an applicant must be:

- a. An Iowa resident who begins his or her initial period of postsecondary enrollment within two academic years of graduation from high school;
- b. An Iowa high school student with at least a 2.5 cumulative grade point average on a 4.0 scale or its equivalent; and
- c. Enrolled for at least three semester hours, or the trimester or quarter equivalent, in a program eligible for federal student aid under Title IV of the federal Higher Education Act leading to an undergraduate degree, diploma, or certificate from an eligible college or university.

8.3(2) To maintain eligibility, recipients must maintain satisfactory academic progress as defined by the eligible college or university.

8.3(3) Individuals who have military obligations may delay the initial period of enrollment for up to four academic years beyond high school graduation or must begin postsecondary enrollment within two academic years of discharge. Exceptions for health or other personal reasons for delaying the initial period of enrollment will be reviewed by commission staff on a case-by-case basis.

[ARC 8333B, IAB 12/2/09, effective 1/6/10]

283—8.4(261) Awarding of funds.

8.4(1) Selection criteria. All applicants who submit applications that are received on or before the published deadline will be considered for funding.

8.4(2) *Priority for grants.* Only applicants with expected family contributions (EFCs) at or below the average tuition and fees for regent university students for the academic year for which awards are being made will be considered for awards.

a. All eligible renewal applicants will be funded prior to new applicants. Awards to renewal applicants will be made based on EFC levels within the parameters defined by the commission, with students in the lowest EFC levels awarded first and at increasing EFC levels until the maximum EFC level is reached.

b. If funding remains after all eligible renewal students have been awarded, priority will be given to students who participated in federal TRIO programs, participated in alternative programs in high school, or graduated from alternative high schools. Awards will be made to students in this category based on EFC levels within the parameters defined by the commission, with students in the lowest EFC levels awarded first and at increasing EFC levels until the maximum EFC level is reached. If all students in a given EFC level cannot be funded, students will be ranked according to the date the state application was filed.

c. If funding remains after all priority applicants have been awarded, funding will be given to students who participated in federal GEAR UP programs. Awards will be made to students in this category based on EFC levels within the parameters defined by the commission, with students in the lowest EFC levels awarded first, followed by awards to students at increasing EFC levels until the maximum EFC level is reached. If all students in a given EFC level cannot be funded, students will be ranked according to the date the state application was filed.

d. If funding is available, awards to remaining eligible applicants will be made based on EFC levels within the parameters defined by the commission, with students in the lowest EFC levels awarded first, followed by awards to students at increasing EFC levels until the maximum EFC level is reached. If all students in a given EFC level cannot be funded, students will be ranked according to the date the state application was filed.

8.4(3) *Maximum award.* All Iowa opportunity scholarships are provided during the traditional nine-month academic year, which is generally defined as September through May. Students attending eligible colleges and universities may receive no more than four full-time or eight part-time semesters of all Iowa opportunity scholarships.

a. The maximum award for full-time students will be the lesser of:

- (1) The amount of financial need demonstrated by the student as calculated by the commission,
- (2) One-half of the average tuition and fees for regent university students for the award year, or
- (3) The tuition and fees paid by the student.

b. A student may request that the student's maximum four semesters of award eligibility be provided during the first two semesters of enrollment. A student making this request will be eligible for only two semesters and will be awarded no more than the lesser of:

- (1) The amount of financial need demonstrated by the student as calculated by the commission,
- (2) The annual average tuition and fees at regent universities, or
- (3) An amount equal to double the tuition and fees paid by the student during the first year of eligibility.

c. The maximum award for a full-time student will not be affected by the ranking system used to prioritize grants. A part-time student will receive a prorated award, as defined by the commission, based on the number of hours for which the student is enrolled.

8.4(4) *Awarding process.*

a. College and university officials will provide information about eligible students to the commission in a format specified by the commission.

b. The commission will designate recipients until all funding has been expended.

c. The commission will notify recipients and college and university officials of the awards, clearly indicating the award amount and the state program from which funding is being provided and stating that funding is contingent on the availability of state funds.

d. The college or university will apply awards directly to student accounts to cover tuition and fees, room and board, and other bona fide education expenses, such as books, equipment, and transportation.

e. The college or university is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. The college or university will report changes in student eligibility to the commission.

8.4(5) *Award transfers and adjustments.* Recipients are responsible for promptly notifying the appropriate college or university of any change in enrollment or financial situation. The college or university will make necessary changes and notify the commission.

8.4(6) *Renewal.* Applicants must complete and file annual applications (FAFSAs) for the all Iowa opportunity scholarship program by the deadline established by the commission. If funds remain available after the application deadline, the commission will continue to accept applications. To be eligible for renewal, a recipient must maintain satisfactory academic progress as defined by the eligible college or university and must not have exceeded the funding limit as described in 8.4(6).

[ARC 1958C, IAB 4/15/15, effective 5/20/15; ARC 2206C, IAB 10/28/15, effective 12/2/15]

283—8.5(261) Restrictions. A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the all Iowa opportunity scholarship program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in an appeal under the procedures set forth in 283—Chapters 4 and 5. Credits that a student receives through “life experience credit” and “credit by examination” are not eligible for funding.

These rules are intended to implement Iowa Code chapter 261.

[Filed emergency 6/14/07—published 7/4/07, effective 6/14/07]

[Filed emergency 7/19/07—published 8/15/07, effective 7/19/07]

[Filed 1/18/08, Notice 10/10/07—published 2/13/08, effective 3/19/08]

[Filed ARC 8333B (Notice ARC 8036B, IAB 8/12/09), IAB 12/2/09, effective 1/6/10]

[Filed ARC 1958C (Notice ARC 1799C, IAB 12/24/14), IAB 4/15/15, effective 5/20/15]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

[Filed ARC 2206C (Notice ARC 2112C, IAB 8/19/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 9
ALL IOWA OPPORTUNITY FOSTER CARE GRANT PROGRAM

283—9.1(261) Basis of aid. Financial assistance under the all Iowa opportunity foster care grant program is available to students who have been in Iowa foster care, who demonstrate financial need, and who are enrolled at eligible Iowa colleges and universities.

283—9.2(261) Definitions. As used in this chapter:

“Adopted youth” means a youth who was adopted after the age of 16.

“Aged out” means youth who leave foster care at age 18 or older.

“Eligible child” means a child who meets the definition of “aged out” of foster care or who was adopted on or after the child’s sixteenth birthday.

“Eligible college or university” means an Iowa community college, an institution of higher education governed by the state board of regents, or an accredited private institution located in Iowa that meets all eligibility requirements set forth in Iowa Code section 261.9. All eligible colleges and universities must submit annual reports which include student and faculty information, enrollment and employment information, and other information required by the commission as described in Iowa Code sections 261.9 through 261.16.

“Financial need” means the need of an applicant for financial assistance. Need shall be evaluated annually on the basis of a confidential statement of family finances filed on a form designated by the commission. For the purposes of determining financial need, the commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine relative need. The FAFSA must be received by the processing agent by the date specified in the application instructions.

“Foster care” means substitute care furnished on a 24-hour-a-day basis to an eligible child, in a licensed foster care facility or approved shelter care facility, by a person or agency other than the child’s parent or guardian, but does not include care provided in a family home through an informal arrangement for a period of less than 30 days. Child foster care shall include but is not limited to the provision of food, lodging, training, education, supervision, and health care.

“Full-time” means enrollment at an eligible college or university in a course of study including at least 12 semester hours or the trimester or quarter equivalent.

“Iowa resident” means an individual who meets the residency requirements established in 283—Chapter 10.

“Part-time” means enrollment at an eligible college or university in a course of study including at least three semester hours or the trimester or quarter equivalent.

[ARC 7733B, IAB 5/6/09, effective 6/10/09; ARC 2205C, IAB 10/28/15, effective 12/2/15]

283—9.3(261) Eligibility requirements.

9.3(1) Applicants for the all Iowa opportunity foster care grant program must complete the Free Application for Federal Student Aid (FAFSA) and an application specific to the program as provided by the commission. The applicant’s initial application date must be subsequent to the applicant’s reaching the age of 17, and the start date of the education or training program must be subsequent to the applicant’s reaching the age of 18 and prior to the applicant’s reaching the age of 23. In addition to completing the required applications, a recipient must be:

- a. An Iowa resident;
- b. A youth who has either a general equivalency diploma (GED) or a high school diploma;
- c. A youth who is at least 18 years of age and who has not yet reached 24 years of age and:
 - (1) Was in a licensed foster care placement under a court order as described in Iowa Code chapter 232 under the care and custody of the department of human services or juvenile court services on the date the youth reached the age of 18 or during the 30 calendar days before or after that date;

(2) Was under court order under Iowa Code chapter 232 to live with a relative or other suitable person on the date the youth reached the age of 18 or during the 30 calendar days before or after that date;

(3) Was in a licensed foster care placement under an order entered under Iowa Code chapter 232 prior to being legally adopted after reaching the age of 16; or

(4) Was in the state training school or the Iowa juvenile home under court order under Iowa Code chapter 232 under the care and custody of the department of human services on the date the youth reached the age of 18 or during the 30 calendar days before or after that date; and

d. A student enrolled for at least three semester hours, or the trimester or quarter equivalent, in a program leading to a degree or certificate from an eligible college or university.

9.3(2) To maintain eligibility, recipients must maintain satisfactory academic progress as defined by the eligible institution.

283—9.4(261) Awarding of funds.

9.4(1) *Selection criteria.* All applicants who submit FAFSAs and program applications will be considered for funding.

9.4(2) *Priority for grants.* Awards will first be made to returning students who submit renewal applications by the application deadline. After all on-time renewals have been funded, awards will be made to new students and renewal students based on the application receipt date.

When all funds have been committed, applicants not awarded grants who meet the eligibility requirements will be placed on a waiting list. Applicants on the waiting list will be awarded grants if funds become available based on the date the completed application was received. In the event multiple applications are received on the same date, preference will be given as follows:

a. Applicants who were placed in the state training school or the Iowa juvenile home pursuant to a court order under Iowa Code chapter 232 under the care and custody of the department of human services.

b. Applicants who aged out of foster care.

(1) In the event there are multiple applicants who aged out of care, preference will be given to the applicant closest to the age of 24.

(2) In the event multiple applicants have the same birthday, preference will be given to the applicant with the highest financial need as determined by the FAFSA.

c. Applicants who were adopted.

(1) In the event there are multiple adopted applicants, preference will be given to the applicant closest to the age of 24.

(2) In the event multiple applicants have the same birthday, preference will be given to the applicant with the highest financial need as determined by the FAFSA.

d. Applicants, regardless of foster care placement, who received awards previously but withdrew from school.

(1) In the event there are multiple applicants, preference will be given to the applicant closest to the age of 24.

(2) In the event multiple applicants have the same birthday, preference will be given to the applicant with the highest financial need as determined by the FAFSA.

9.4(3) *Award notification.* The commission will notify all recipients and the colleges or universities they attend in writing of the amount of their awards. Ineligible applicants, or applicants who are on the waiting list, will be notified in writing of their ineligibility or waiting-list status. The commission will coordinate all financial aid received by recipients to ensure compliance with student eligibility requirements and allowable award amounts.

9.4(4) *Award transfers and adjustments.* Recipients are responsible for promptly notifying the appropriate college or university of any change in enrollment or financial situation. The college or university will make necessary changes and notify the commission.

9.4(5) *Academic-year awards.* All Iowa opportunity foster care grants are provided during the traditional nine-month academic year, which is generally defined as September through May. Awards

shall not exceed the full cost of attendance as determined by the college or university minus other federal, state, or college or university gift aid and work study aid provided to the student.

9.4(6) *Renewal.* Applicants must complete and file annual applications for the all Iowa opportunity foster care grant program by the deadline established by the commission. If funds remain available after the application deadline, the commission will continue to accept applications. To be eligible for renewal, a recipient must maintain satisfactory academic progress as defined by the eligible college or university.

283—9.5(261) Disbursement of grant. The full amount of the grant will be disbursed in multiple installments to the eligible college or university upon receipt of certification from the college or university that the grant recipient is enrolled and in good academic standing. The college or university will first use the funds to pay any outstanding charges of the student. Once the student account balance has been settled, the remaining funds, if any, may be refunded to the student.

If the student withdraws from the university and is entitled to a refund of tuition and fees, the pro-rata share of the refund attributable to the grant shall be refunded to the commission.

283—9.6(261) Award transfers and adjustments. Recipients are responsible for notifying the commission immediately of any change in name, enrollment status, or address.

283—9.7(261) Restrictions. A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the all Iowa opportunity foster care grant program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in an appeal under the procedures set forth in 283—Chapters 4 and 5. Credits that a student receives through “life experience credit” and “credit by examination” are not eligible for grant funding.

These rules are intended to implement Iowa Code Supplement section 261.6.

[Filed emergency 6/14/07—published 7/4/07, effective 6/14/07]

[Filed emergency 7/19/07—published 8/15/07, effective 7/19/07]

[Filed 1/18/08, Notice 10/10/07—published 2/13/08, effective 3/19/08]

[Filed 11/26/08, Notice 10/8/08—published 12/17/08, effective 1/21/09]

[Filed ARC 7733B (Notice ARC 7574B, IAB 2/11/09), IAB 5/6/09, effective 6/10/09]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 10
UNIFORM POLICIES

283—10.1(261) Purpose. This chapter describes criteria for determining whether a student is considered a resident of Iowa for the purposes of gaining eligibility for funding under programs administered by the college student aid commission.

[ARC 2205C, IAB 10/28/15, effective 12/2/15]

283—10.2(261) Definition. “Iowa resident” means a person who:

10.2(1) If attending an Iowa regent university, Iowa private college or university, or Iowa barber or cosmetology college, meets the criteria used by the state board of regents to determine residency for tuition purposes as described in 681—1.4(262) and, if the person qualifies for residency only as described in 681—paragraph 1.4(2) “b,” meets the following additional criteria:

a. Is a veteran or qualifying military person domiciled in the state of Iowa who is not dependent upon a parent for financial support;

b. Is a dependent veteran or qualifying military person whose parent is domiciled in the state of Iowa; or

c. Is the spouse, domestic partner, or dependent child of a veteran or qualifying military person who is domiciled in the state of Iowa; or

10.2(2) If attending an Iowa community college, meets the criteria defined by the Iowa department of education to determine residency for community college tuition purposes as defined in 281—subrule 21.2(11) and, if the person qualifies for residency only as described in 281—subparagraph 21.2(11) “b”(5), meets the following additional criteria:

a. Is a veteran of uniformed service or a national guard member domiciled in the state of Iowa who is not dependent upon a parent for financial support;

b. Is a dependent veteran of uniformed service or a national guard member whose parent is domiciled in the state of Iowa; or

c. Is the spouse, domestic partner, or dependent child of a veteran of uniformed service or a national guard member who is domiciled in the state of Iowa.

[ARC 2205C, IAB 10/28/15, effective 12/2/15]

These rules are intended to implement Iowa Code chapter 261.

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 11
STATE OF IOWA SCHOLARSHIP PROGRAM
[Prior to 8/10/88, see College Aid Commission, 245—Ch 2]
Rescinded **ARC 1870C**, IAB 2/18/15, effective 3/25/15

CHAPTER 12
IOWA TUITION GRANT PROGRAM
[Prior to 8/10/88, see College Aid Commission, 245—Ch 4]

283—12.1(261) Tuition grant based on financial need to Iowa residents enrolled at eligible private institutions of postsecondary education in Iowa.

12.1(1) *Financial need.* The need of an applicant for financial assistance under this program shall be evaluated annually on the basis of a confidential statement of family finances filed on a form designated by the commission. For the purposes of determining financial need, the commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine relative need. The FAFSA must be received by the processing agent by the date specified in the application instructions.

12.1(2) *Tuition and mandatory fees.* Tuition and mandatory fees shall be defined as those college costs paid annually by all students enrolled on a full-time basis as reported annually to the commission by each participating college or university. Each college or university also will provide annually its rates for part-time tuition and fees to the commission.

12.1(3) *Student eligibility.* A recipient must be an Iowa resident enrolled for at least three semester hours, or the trimester or quarter equivalent, in a program leading to a degree from an eligible Iowa college or university. “Iowa resident” means an individual who meets the residency requirements established in 283—Chapter 10.

Iowa tuition grants are provided during the traditional nine-month academic year generally defined as September through May. Students may receive no more than eight semesters of full-time Iowa tuition grants or 16 part-time semesters.

A recipient may receive this grant for summer enrollment if the recipient is enrolled in a commission-approved accelerated program that integrates summer attendance. The purpose of restricting summer Iowa tuition grants is to ensure that students who take classes during the summer do not exhaust Iowa tuition grant eligibility prior to completing four-year degree programs.

12.1(4) *Priority for grants.* Applicants are ranked in order of the estimated amount which the family reasonably can be expected to contribute toward college expenses, and awards are granted to those who demonstrate need in order of family contribution, from lowest to highest, insofar as funds permit.

12.1(5) *Award notification.* A grant recipient is notified of the award by the college or university to which application is made. Each award notification must clearly indicate award amounts, the state programs from which funding will be received, and that funding is contingent upon the availability of state funds. Any award notification provided by a college or university on probation with the accrediting agency must be made contingent upon the college’s or university’s maintaining affiliation with the accrediting agency. The college or university is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. The college or university reports changes in student eligibility to the commission.

12.1(6) *Award transfers and adjustments.* Recipients are responsible for promptly notifying the appropriate college or university of any change in enrollment or financial situation. The college or university will make necessary changes and notify the commission.

12.1(7) *Restrictions.* A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the Iowa tuition grant program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in an appeal under the procedures set forth in 283—Chapters 4 and 5. Credits that a student receives through “life experience credit” and “credit by examination” are not eligible for tuition grant funding.

[ARC 2205C, IAB 10/28/15, effective 12/2/15]

283—12.2(261) Tuition grant institutional eligibility requirements.

12.2(1) *Institutional eligibility under Iowa Code section 261.9.* An Iowa college or university requesting participation in the Iowa tuition grant program must apply to the college student aid commission using the commission's designated application.

A college or university participating in the Iowa tuition grant program (Iowa Code section 261.9, et seq.) must:

- a.* Be accredited by the North Central Association of Colleges and Schools (NCA); and
- b.* Be exempt from taxation under Section 501(c)(3) of the Internal Revenue Code or, if not exempt under Section 501(c)(3), the college or university must have been an eligible participant during the 2003-04 academic year; and
- c.* Annually provide matching aggregate institutional financial aid to Iowa tuition grant recipients equal to a required percentage of the amount received by its students under the Iowa tuition grant program. (Specialized colleges offering health professional programs affiliated with health care systems located in Iowa are exempt from this requirement.); and
- d.* Be located in Iowa. "Located in Iowa" means a college or university accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, that has made a substantial investment in a permanent Iowa campus and staff, and that offers a full range of courses leading to the degrees offered by the institution as well as a full range of student services.

12.2(2) *Processing college and university applications.* Application forms will be provided by the commission.

Applicant colleges and universities are required to provide the commission with documentation establishing eligibility as described in 12.2(1).

Colleges and universities seeking to participate in the Iowa tuition grant program must submit applications by January 1 of the year prior to the beginning of the academic year for which they are applying for participation.

Applicant colleges and universities must submit written plans outlining academic programs that integrate summer attendance in accelerated programs prior to making summer awards. If the summer program is approved by the commission, an applicant's students may receive Iowa tuition grants beginning in the summer following approval. Academic programs, defined by colleges or universities, which allow students to complete four-year baccalaureate programs in less than the normal prescribed time period while taking the same courses as students completing the same degree during a traditional four-year time period will be approved. A summer academic program may be defined for a group of students or may be a self-directed program in which a student has received approval from appropriate officials of the college or university.

12.2(3) *Notice of change of status.* Any college or university which loses NCA accreditation or 501(c)(3) status or fails to make the institutional match must immediately notify the commission. Failure to comply with this notice of change requirement may result in the college or university being required to return Iowa tuition grant funds to the commission.

12.2(4) *Review of eligibility.*

a. The commission shall periodically, at least every three years, investigate and review compliance of institutions participating in the tuition grant program with criteria described in Iowa Code section 261.9 and this rule.

b. If the commission finds that a college or university fails to comply with the provisions of Iowa Code section 261.9 and this rule, participation in the tuition grant program shall be suspended.

12.2(5) *Reporting requirements.* Every college or university participating in the Iowa tuition grant program shall submit an annual report which includes student and faculty information, enrollment and employment information, the amount of institutional matching financial aid dollars, and other information required by the commission as described in Iowa Code sections 261.9 through 261.16.

These rules are intended to implement Iowa Code chapter 261.

[Filed 1/28/71; amended 6/29/72, 10/15/73, 6/28/74]

[Filed 1/7/77, Notice 10/20/76—published 1/26/77, effective 3/2/77]

[Filed 2/16/79, Notice 11/1/78—published 3/7/79, effective 4/11/79]

[Filed 3/9/82, Notice 1/6/82—published 3/31/82, effective 5/5/82]
[Filed 7/15/83, Notice 4/27/83—published 8/3/83, effective 9/7/83]
[Filed emergency 8/26/83—published 9/14/83, effective 8/26/83]
[Filed 12/16/83, Notice 9/14/83—published 1/4/84, effective 2/8/84]
[Filed 8/22/86, Notice 6/4/86—published 9/10/86, effective 10/15/86]
[Filed 1/15/87, Notice 12/3/86—published 2/11/87, effective 3/18/87]
[Filed 7/22/88, Notice 3/9/88—published 8/10/88, effective 9/14/88]
[Filed 1/13/89, Notice 11/2/88—published 2/8/89, effective 3/15/89]
[Filed 6/19/91, Notice 5/1/91—published 7/10/91, effective 8/14/91]
[Filed 9/13/91, Notice 7/24/91—published 10/2/91, effective 11/6/91]
[Filed 9/25/92, Notice 8/5/92—published 10/14/92, effective 11/18/92]
[Filed 1/20/95, Notice 12/7/94—published 2/15/95, effective 3/22/95]
[Filed 11/30/95, Notice 10/25/95—published 12/20/95, effective 1/26/96]
[Filed 8/8/96, Notice 6/19/96—published 8/28/96, effective 10/2/96]
[Filed 10/1/99, Notice 8/11/99—published 10/20/99, effective 11/24/99]
[Filed 11/21/02, Notice 9/18/02—published 12/11/02, effective 1/15/03]
[Filed 4/11/03, Notice 2/19/03—published 4/30/03, effective 6/4/03]
[Filed 9/24/04, Notice 6/23/04—published 10/13/04, effective 11/17/04]
[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 13
IOWA VOCATIONAL-TECHNICAL TUITION GRANT PROGRAM
[Prior to 8/10/88, see College Aid Commission, 245—Ch 5]

283—13.1(261) Tuition grant based on financial need to Iowa residents enrolled in vocational or technical (career education) programs at community colleges in the state.

13.1(1) *Financial need.*

a. Financial need is defined as the lesser of the difference between the average expenses for tuition, fees, and books and supplies, as determined by the commission, and the amount of the federal Pell Grant for which the student qualifies or the difference between the average total budget at a community college, as determined by the commission, and the expected family contribution.

b. Financial need shall be evaluated annually on the basis of a confidential financial statement filed on a form designated by the commission. For the purposes of determining financial need, the commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine relative need. The FAFSA must be received by the processing agent by the priority date specified in the application instructions.

13.1(2) *Student eligibility.*

a. A recipient must be an Iowa resident as defined in 283—Chapter 10.

b. A recipient must be enrolled for at least three semester hours, or the trimester or quarter equivalent, in a vocational-technical or career option program at an Iowa community college.

c. A recipient may receive an award under this program for liberal arts classes identified by the community college as required for completion of a vocational-technical or career option program. A recipient must be concurrently enrolled in a vocational or technical (career education) program.

d. A full-time recipient may receive an award under this program for not more than four semesters or the trimester or quarter equivalent of two full years of study. A part-time recipient may receive an award under this program for not more than eight semesters or the trimester or quarter equivalent of two full years of full-time study. A recipient who is making satisfactory progress but cannot complete the course because of required liberal arts classes may receive the grant for one additional enrollment period.

e. A full-time recipient may receive no more than the amount specified by Iowa law or the amount of the student's established financial need, whichever is less. A part-time recipient's award shall be a prorated portion of the full-time award. The proration will be established by the commission in a manner consistent with federal Pell Grant Program proration. Part-time recipients taking from 3 to 5 credit hours will receive awards equal to one-fourth of the full-time award; recipients taking from 6 to 8 credit hours will receive awards equal to one-half of the full-time award; and recipients taking from 9 to 11 credit hours will receive awards equal to three-fourths of the full-time award.

f. A recipient may again be eligible for an award under 13.1(2) "*d*" if the recipient resumes study after at least a two-year absence, except for coursework for which credit was previously received.

13.1(3) *Priority for grants.* Applicants who apply by the priority date specified in the application are ranked in order of the estimated amount of the family's contribution toward college expenses; and awards are granted to those who demonstrate need in order of family contribution from lowest to highest, insofar as funds permit.

13.1(4) *Award notification.* A grant recipient is notified of the award by the community college to which application is made. The community college is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. The community college reports changes in student eligibility to the commission.

13.1(5) *Full year of study.* For purposes of this program, the commission has defined "full year of study" as either four quarters or two semesters. Grant payments are prorated according to this definition.

13.1(6) *Award transfers and adjustments.* Recipients are responsible for promptly notifying the appropriate community college of any change in enrollment or financial situation. The community college will make necessary changes and notify the commission.

13.1(7) Restrictions. A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the Iowa vocational-technical tuition grant program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in an appeal under the procedures set forth in 283—Chapters 4 and 5.

This rule is intended to implement Iowa Code section 261.17.
[ARC 2205C, IAB 10/28/15, effective 12/2/15]

[Filed 10/15/73]

[Filed 1/7/77, Notice 10/20/76—published 1/26/77, effective 3/2/77]

[Filed 2/16/79, Notice 11/1/78—published 3/7/79, effective 4/11/79]

[Filed 3/9/82, Notice 1/6/82—published 3/31/82, effective 5/5/82]

[Filed 7/15/83, Notice 4/27/83—published 8/3/83, effective 9/7/83]

[Filed emergency 8/26/83—published 9/14/83, effective 8/26/83]

[Filed 12/16/83, Notice 9/14/83—published 1/4/84, effective 2/8/84]

[Filed 7/22/88, Notice 3/9/88—published 8/10/88, effective 9/14/88]

[Filed 1/13/89, Notice 11/2/88—published 2/8/89, effective 3/15/89]

[Filed 11/14/90, Notice 10/3/90—published 12/12/90, effective 1/16/91]

[Filed 9/13/91, Notice 7/24/91—published 10/2/91, effective 11/6/91]

[Filed 1/20/95, Notice 12/7/94—published 2/15/95, effective 3/22/95]

[Filed 12/1/97, Notice 10/8/97—published 12/17/97, effective 1/28/98]

[Filed 11/25/98, Notice 8/26/98—published 12/16/98, effective 1/20/99]

[Filed 8/20/99, Notice 6/16/99—published 9/8/99, effective 10/13/99]

[Filed 3/29/02, Notice 2/6/02—published 4/17/02, effective 5/22/02]

[Filed 4/11/03, Notice 2/19/03—published 4/30/03, effective 6/4/03]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 17
BARBER AND COSMETOLOGY ARTS AND SCIENCES TUITION GRANT PROGRAM

283—17.1(261) Tuition grant based on financial need to Iowa residents enrolled in barber and cosmetology arts and sciences programs at colleges in the state.

17.1(1) *Financial need.*

a. Financial need is defined as the lesser of the difference between the average expenses for tuition, fees, and books and supplies, as determined by the commission, and the amount of the federal Pell Grant for which the student qualifies or the difference between the average total budget at a college, as determined by the commission, and the expected family contribution.

b. Financial need shall be evaluated annually on the basis of a confidential financial statement filed on a form designated by the commission. For the purposes of determining financial need, the commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine relative need. The FAFSA must be received by the processing agent by the priority date specified in the application instructions.

17.1(2) *Student eligibility.*

a. A recipient must be an Iowa resident as defined in 283—Chapter 10.

b. A recipient must be enrolled for at least three semester hours, or the trimester or quarter equivalent, in a barber or cosmetology arts and sciences program at an eligible Iowa college.

c. A full-time recipient may receive an award under this program for not more than four semesters or the trimester or quarter equivalent of two full years of study. A part-time recipient may receive an award under this program for not more than eight semesters or the trimester or quarter equivalent of two full years of full-time study.

d. A full-time recipient may receive no more than the amount specified by Iowa law or the amount of the student's established financial need, whichever is less. A part-time recipient's award shall be a prorated portion of the full-time award. The proration will be established by the commission in a manner consistent with federal Pell Grant Program proration. Part-time recipients taking from 3 to 5 credit hours will receive awards equal to one-fourth of the full-time award; recipients taking from 6 to 8 credit hours will receive awards equal to one-half of the full-time award; and recipients taking from 9 to 11 credit hours will receive awards equal to three-fourths of the full-time award.

17.1(3) *Priority for grants.* Applicants who apply by the priority date specified in the application are ranked in order of the estimated amount of the family's contribution toward college expenses, and awards are granted to those who demonstrate need, as defined by the commission. In the event that all on-time applicants for the program cannot be funded with the available appropriation, priority will be given to full-time students enrolled in their first term of instruction at an eligible institution.

17.1(4) *Award notification.* A grant recipient is notified of the award by the college to which application is made. The college is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. The college reports changes in student eligibility to the commission.

17.1(5) *Full year of study.* For purposes of this program, the commission has defined "full year of study" as either four quarters or two semesters. Grant payments are prorated according to this definition.

17.1(6) *Award transfers and adjustments.* Recipients are responsible for promptly notifying the appropriate college of any change in enrollment or financial situation. The college will make necessary changes and notify the commission.

17.1(7) *Restrictions.* A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the Iowa vocational-technical tuition grant program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in an appeal under the procedures set forth in 283—Chapters 4 and 5.

[ARC 2205C, IAB 10/28/15, effective 12/2/15]

283—17.2(261) Tuition grant institutional eligibility requirements.

17.2(1) *Institutional eligibility.* An Iowa college or university requesting participation in the barber and cosmetology arts and sciences tuition grant program must apply to the college student aid commission using the commission's designated application. A college participating in the barber and cosmetology arts and sciences tuition grant program must:

- a.* Be a barber school licensed under Iowa Code section 158.7; or
- b.* Be a school of cosmetology arts and sciences licensed under Iowa Code chapter 157; and
- c.* Be accredited by a national accrediting agency recognized by the United States Department of Education; and
- d.* Be located in Iowa. "Located in Iowa" means a college or university accredited by a national accrediting agency that has made a substantial investment in a permanent Iowa campus and staff, and that offers a full range of courses leading to the degrees offered by the institution as well as a full range of student services; and
- e.* Meet the criteria in Iowa Code section 261.9, subsection 1, paragraphs "d" through "g"; and
- f.* Submit an annual report which includes student and faculty information, enrollment and employment information, and other information required by the commission as described in Iowa Code sections 261.9 through 261.16; and
- g.* Report to the commission any information requested in the time frame required by the commission.

17.2(2) *Processing college applications.* Application forms will be provided by the commission.

- a.* Applicant colleges are required to provide a completed application and to provide the commission with any additional documentation establishing eligibility.
- b.* Colleges seeking to participate in the barber and cosmetology arts and sciences tuition grant program must submit applications by January 1 of the year prior to the beginning of the academic year for which they are applying for participation.

17.2(3) *Notice of change of status.* Any college that loses accreditation must immediately notify the commission. Failure to comply with this notice of change requirement may result in the college being required to return tuition grant funds to the commission.

17.2(4) *Review of eligibility.*

- a.* The commission shall periodically, at least every three years, investigate and review compliance of institutions participating in the tuition grant program according to criteria described in the Iowa Code and this rule.
- b.* If the commission finds that a college fails to comply with the provisions of the Iowa Code and this rule, participation in the tuition grant program shall be suspended.

These rules are intended to implement 2008 Iowa Acts, House File 2679, section 32.

[Filed emergency 8/1/08—published 8/27/08, effective 8/1/08]

[Filed 11/26/08, Notice 8/27/08—published 12/17/08, effective 1/21/09]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 18
IOWA WORK-STUDY PROGRAM
[Prior to 8/10/88, College Aid Commission, 245—Ch 18]

283—18.1(261) Administrative procedures. To facilitate efficient administration, the commission hereby adopts the federal work-study regulations found at 34 CFR 675 as of December 31, 1992. Provisions of the federal regulations include, but are not limited to:

1. Need analysis,
2. Student budgets,
3. Wage and salary administration,
4. Civil rights requirements,
5. Employee benefits,
6. State workers' compensation laws, and
7. Social security requirements.

A college or university must administer state-funded work-study funds for Iowa residents in the same manner as the college or university administers its federal work-study program, except that state funds may not be transferred to other student aid programs.

283—18.2(261) Student eligibility. A recipient must be an Iowa resident enrolled for at least three semester hours, or the trimester or quarter equivalent, in a program leading to a degree from an eligible Iowa college or university. "Iowa resident" means an individual who meets the residency requirements established in 283—Chapter 10.

Funds may be used to provide part-time or full-time work opportunities to students registered for classes at the college or university for the academic year. For this program, academic year is defined as July 1 through June 30. Work opportunities may be provided during the summer to students who are enrolled for the upcoming fall term.

[ARC 2205C, IAB 10/28/15, effective 12/2/15]

283—18.3(261) College and university eligibility. To be eligible to participate in the Iowa work-study program, a college or university must be an Iowa regent university, an Iowa community college, or a college or university eligible to participate in the Iowa tuition grant program.

18.3(1) Application to participate. An Iowa college or university requesting participation in the Iowa work-study program must apply to the college student aid commission using the commission's designated application.

a. Applicant colleges and universities shall provide the commission with documentation that establishes their eligibility as described in Iowa Code section 261.83 on application forms provided by the commission.

b. Colleges and universities seeking initial approval to participate in the Iowa work-study program must submit applications by January 1 for participation in the upcoming academic year.

c. Colleges and universities approved for participation in the program must sign an agreement provided by the commission that defines the manner in which the Iowa work-study program is to be administered.

18.3(2) Annual application. Participating colleges and universities are required to submit annual applications on forms provided by the commission. The applications shall provide pertinent information deemed necessary by the commission for administration of the program.

18.3(3) Notice of change of status. Any college or university which loses eligibility to participate in the Iowa work-study program, as described in 283—18.3(261), must immediately notify the commission. A college or university that fails to comply with this notice of change of status requirement may be required to return Iowa work-study funds to the commission.

18.3(4) Reporting requirements. Every college or university participating in the Iowa work-study program shall submit an annual report which includes student and faculty information, enrollment and employment information, the amount of institutional matching dollars, and other information required by the commission as described in Iowa Code sections 261.9 through 261.16.

The commission's report format includes student-specific information, the number of students served, the amount of funds used during the academic year, and other information needed to prepare the commission's budget request for the next academic year. Student-specific information may include, but is not limited to, student name, address, social security number, number of hours worked, and the amount of the Iowa work-study award. Final reports must be submitted to the commission by July 31 of each year.

283—18.4(261) Award notices. The commission will annually provide award information based on college and university applications, each college or university's relative need for funding, and the program's appropriation. Updates will be provided in the event of adjustments to the appropriation or as a result of colleges or universities opting not to participate.

283—18.5(261) Disbursement schedule. Funds will be disbursed in equal installments at the beginning of each fall and spring term except that college and university awards of less than \$50,000 will be disbursed in one payment.

283—18.6(261) Matching funds. A college or university is required to provide at least 20 percent in institutional matching funds unless the college or university has received a waiver of the federal work-study match requirement from the federal government.

283—18.7(261) Due process. Students and college and university officials may appeal commission action in accordance with the commission's administrative rules, 283—Chapter 4.

283—18.8(261) Student award notification. The college or university shall notify work-study award recipients of the award. The award notification must clearly indicate that the award is funded through the Iowa work-study program and must include the award amount, the state program from which funding will be received, and notification that funding is contingent upon the availability of state funds. The college or university is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts.

283—18.9(261) Unused funds. The commission will reallocate unused funds and, if necessary, deduct any excess funds from an institution's subsequent award.

283—18.10(261) Employment restrictions. The creation of work-study opportunities shall not result in the displacement of employed workers or impair or affect existing contracts for services. Moneys used by an institution for the work-study program shall supplement and not supplant jobs and existing financial aid programs provided to students through the institution.

283—18.11(261) Restrictions. A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the Iowa work-study program. A student's eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in an appeal under the procedure set forth in 283—Chapters 4 and 5.

These rules are intended to implement Iowa Code section 261.3.

[Filed emergency 8/13/87—published 9/9/87, effective 8/21/87]

[Filed 1/15/88, Notice 9/9/87—published 2/10/88, effective 3/16/88]

[Filed 7/22/88, Notice 3/9/88—published 8/10/88, effective 9/14/88]

[Filed 11/29/89, Notice 10/4/89—published 12/27/89, effective 1/31/90]

[Filed 1/29/91, Notice 12/12/90—published 2/20/91, effective 3/27/91]

[Filed 9/13/91, Notice 7/24/91—published 10/2/91, effective 11/6/91]

[Filed 9/25/92, Notice 8/5/92—published 10/14/92, effective 11/18/92]

[Filed 1/20/95, Notice 10/12/94—published 2/15/95, effective 3/22/95]

[Filed 1/20/95, Notice 12/7/94—published 2/15/95, effective 3/22/95]

[Filed 10/3/95, Notice 8/16/95—published 10/25/95, effective 11/29/95]

[Filed 1/20/06, Notice 10/26/05—published 2/15/06, effective 3/22/06]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 20
IOWA NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

283—20.1(261) Educational assistance to Iowa national guard members for undergraduate studies at eligible Iowa institutions. The adjutant general shall determine eligibility requirements and select program recipients. The decision of the adjutant general is final.

20.1(1) Definitions. As used in this chapter:

“*Federal active duty*” means military duty performed pursuant to orders issued under Title 10, United States Code, other than for training.

“*State-defined payment period*” means one of five payment terms and corresponding deadlines as defined by the college student aid commission.

20.1(2) Guard member eligibility. A recipient must:

- a. Be a resident of Iowa, as defined by the adjutant general of Iowa, and a member of an Iowa army or air national guard unit throughout each term for which the member receives benefits.
- b. Have satisfactorily completed required guard training.
- c. Have maintained satisfactory performance of guard duty.
- d. Have applied to the adjutant general of Iowa for program eligibility by the established application deadline date(s). The adjutant general shall accept an application from an eligible member of the Iowa national guard who was on federal active duty at the time of an application deadline if the application is received within 30 days after the eligible member returns to Iowa from federal active duty. The applicant will be considered for funding for the state-defined payment period in which the application was received and any future state-defined payment periods in that academic year.
- e. Be pursuing a certificate or undergraduate degree program at an eligible Iowa college or university and maintaining satisfactory academic progress.
- f. Provide notice of national guard status to the college or university at the time of registration.

20.1(3) Institutional eligibility. Guard members attending the following categories of colleges and universities located in Iowa are eligible to receive awards under this program:

- a. Institutions accredited by the North Central Association of Colleges and Schools (NCA).
- b. State-supported area community colleges accredited by the state department of education.

“*Located in Iowa*” means a college or university accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, that has made a substantial investment in a permanent Iowa campus and staff, and that offers a full range of courses leading to the degrees offered by the institution as well as a full range of student services.

20.1(4) Award notification. A guard member is notified of eligibility by the adjutant general of Iowa. The adjutant general will notify the Iowa college student aid commission (commission) of all eligible members. The commission will notify Iowa colleges and universities of guard member eligibility.

20.1(5) Award limitations. Awards may be used for educational assistance including tuition and fees; room and board; books, supplies, transportation and personal expenses; dependent care; and disability-related expenses. Individual award amounts shall be determined by the adjutant general and shall be neither less than an amount equal to 50 percent of the resident tuition rate established for students attending regent institutions nor exceed the amount of the resident tuition rate established for students attending regent institutions.

20.1(6) Restrictions.

- a. A guard member may use benefits only for undergraduate educational assistance.
- b. A guard member who has met the educational requirements for a baccalaureate degree is not eligible for benefits.
- c. A qualified student may receive benefits for no more than 120 credit hours of undergraduate study. All credit hours within a term of enrollment to which educational assistance was applied must be reported to the commission within the state-defined payment period.

20.1(7) Verification and compliance.

- a. The adjutant general will notify the commission of all eligible guard members. Changes in member eligibility will be sent to the commission within 30 days of the change.

- b.* The commission will notify eligible Iowa colleges and universities of guard member eligibility.
- c.* The commission will coordinate the collection and dissemination of eligibility and enrollment information received from the adjutant general and colleges and universities.
- d.* The institution's financial aid administrator will be responsible for completing academic progress enrollment verifications and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. Colleges and universities will report changes in student enrollment to the commission within 30 days after the last day of the enrollment period.

This rule is intended to implement Iowa Code section 261.86.

[ARC 1319C, IAB 2/19/14, effective 3/26/14; ARC 2207C, IAB 10/28/15, effective 12/2/15]

[Filed 6/20/97, Notice 4/9/97—published 7/16/97, effective 8/20/97]

[Filed 8/20/99, Notice 6/16/99—published 9/8/99, effective 10/13/99]

[Filed 4/11/03, Notice 2/19/03—published 4/30/03, effective 6/4/03]

[Filed ARC 1319C (Notice ARC 1122C, IAB 10/16/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 2207C (Notice ARC 2111C, IAB 8/19/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 22
IOWA MINORITY GRANTS FOR ECONOMIC SUCCESS (IMAGES)

283—22.1(261) Iowa minority grants for economic success.

22.1(1) Definitions.

“Approved institution” means any institution which is eligible to participate in the Iowa tuition grant program which agrees to provide the 50 percent funding required by this program.

“Financial need” means the difference between the student’s financial resources, including resources available from the student’s parents and the student, as determined by a completed parent’s or student’s financial statement. Financial need shall be reconsidered on at least an annual basis.

“Iowa resident” means an individual who meets the residency requirements established in 283—Chapter 10.

“Minority person” means an American citizen who is black, Hispanic, Asian, or a Pacific islander, American Indian, or an Alaskan native American.

“Part-time student” means an individual who is enrolled at an approved private institution in a course of study including at least three semester hours or the trimester or quarter equivalent.

22.1(2) Award limits and eligibility requirements.

a. A grant may be awarded to any minority person who is accepted for admission or is enrolled for at least three semester hours or a trimester equivalent in a program leading to a degree from an approved private institution, and who demonstrates financial need.

b. Priority will be given to those minority persons who are residents of Iowa.

c. Applicants who hold vouchers earned through the Iowa college-bound program will receive priority in a manner similar to that used under the regents’ program.

d. The amount of the grant shall not exceed a student’s financial need or \$3500, whichever is less. Fifty percent of the grant shall be funded by the approved institution and 50 percent shall be funded by the commission.

e. Grants shall be awarded on an annual basis and shall be credited by the institution against the student’s tuition, fees, and room and board charges, at the beginning of each term in equal installments upon certification that the eligible student is enrolled.

f. If a student receiving a grant under the program discontinues attendance before the end of any academic period, but after receiving payment of grant funds for the academic period, the entire amount of any refund due the student, up to the amount of any payments made by the state, shall be remitted by the institution to the commission.

22.1(3) Application process.

a. Eligible students shall apply for this grant through the use of an approved financial aid form, which uses the federally accepted method of needs analysis.

b. Institutions shall coordinate aid packages and shall report need figures to the commission.

c. A student shall accept all available federal and state grants before being considered for grants under this program.

d. If funds are insufficient to pay all approved grants, funds will be prorated in a manner which provides meaningful grants to those qualified applicants demonstrating the greatest need.

22.1(4) Record keeping and reporting.

a. The commission will monitor the program according to this chapter and will require postsecondary institutions that receive funds for enrolled students to furnish any information necessary for the implementation or administration of the program.

b. The commission shall maintain records on the recipients of vouchers under the Iowa college-bound program.

c. The commission will report annually to the governor and the general assembly on the progress and implementation of the program.

22.1(5) Restrictions. A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the Iowa minority grants for economic success (IMAGES)

program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapter 5, Iowa Administrative Code.

This rule is intended to implement Iowa Code section 261.101.

[ARC 2205C, IAB 10/28/15, effective 12/2/15]

[Filed 11/29/89, Notice 10/4/89—published 12/27/89, effective 1/31/90]

[Filed 9/13/91, Notice 7/24/91—published 10/2/91, effective 11/6/91]

[Filed 1/20/95, Notice 12/7/94—published 2/15/95, effective 3/22/95]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 23
SKILLED WORKFORCE SHORTAGE TUITION GRANT PROGRAM

283—23.1(261) Tuition grant based on financial need to Iowa residents enrolled in career-technical or career option programs at community colleges in the state. This grant shall commonly be known as the Kibbie grant.

23.1(1) *Financial need.*

a. Financial need shall be evaluated annually on the basis of a confidential financial statement filed on a form designated by the commission. For the purposes of determining financial need, the commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine relative need known as expected family contribution. The FAFSA must be received by the processing agent by the date specified by the college student aid commission.

b. Financial need is defined as the cost of attendance, minus the eligible applicant's expected family contribution, minus the federal Pell Grant received by the applicant, and minus the Iowa vocational-technical tuition grant received by the applicant. Awards will not exceed one-half of the average tuition and mandatory fees at Iowa community colleges and will not be less than \$200 per semester or the equivalent.

23.1(2) *Student eligibility.*

a. A recipient must be an Iowa resident as defined in 283—Chapter 10.

b. A recipient must be enrolled at an Iowa community college for at least three semester hours or the equivalent in a career-technical, career option, or other training program which is eligible for federal Title IV funding and is in an industry which has been identified as having a shortage of skilled workers by the community college in a regional skills gap analysis or by the department of workforce development in the department's most recent quarterly report.

c. A recipient may receive an award under this program for general education classes identified by the community college as required for completion of a career-technical or career option program in an identified skilled workforce shortage area. A recipient must be concurrently enrolled in a career-technical or career option program.

d. A recipient may receive an award under this program for not more than the equivalent of four semesters. A recipient who is making satisfactory academic progress but cannot complete the course because of required classes may receive the grant for one additional semester.

e. A recipient who is a full-time student may receive no more than one-half of the student's tuition and fees, as established by the commission, or the amount of the student's established financial need, whichever is less. A recipient who is a part-time student shall receive a prorated portion of the full-time award. The proration will be established by the commission in a manner consistent with federal Pell Grant Program proration. Recipients who are part-time students enrolled in 3 to 5 credit hours will receive awards equal to one-fourth of the full-time award; recipients enrolled in 6 to 8 credit hours will receive awards equal to one-half of the full-time award; and recipients enrolled in 9 to 11 credit hours will receive awards equal to three-fourths of the full-time award.

f. A recipient may again be eligible for an award under paragraph 23.1(2) "d" if the recipient resumes study after at least a two-year absence, except that award assistance shall not be used for coursework for which credit was previously received.

23.1(3) *Priority for grants.*

a. Applicants enrolled in programs required to fill the needs of industry in areas which have been identified as having shortages of skilled workers by the community college in a regional skills gap analysis or by the department of workforce development in the department's most recent quarterly report will receive priority. Skill gap areas will be ranked by each community college in order of the perceived need, and awards will be made to applicants as long as funding remains available.

b. Applicants who apply by the priority date specified in the application are ranked in order of the estimated amount of the family's contribution toward college expenses, and awards are granted to those who demonstrate need in order of family contribution from lowest to highest, insofar as funds permit.

23.1(4) *Award notification.* A grant recipient will be notified of the award by the community college to which application is made. The community college is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. The community college shall report changes in student eligibility to the commission.

23.1(5) *Enrollment terms.* For purposes of this program, the commission has defined “semester” as one of two terms of enrollment established by the community college between August 1 and May 30 of each academic year or the equivalent and a summer term of equal length or the equivalent. Grant payments are prorated according to paragraph 23.1(2) “e.”

23.1(6) *Award transfers and adjustments.* Recipients are responsible for promptly notifying the appropriate community college of any change in enrollment or financial situation. The community college will make necessary changes and notify the commission.

23.1(7) *Restrictions.* A student who is in default on a Stafford Loan, an SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the skilled workforce shortage tuition grant program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by the commission’s ruling on the basis of adequate extenuating evidence presented in an appeal under the procedures set forth in 283—Chapters 4 and 5.

This rule is intended to implement 2012 Iowa Acts, Senate File 2321, section 20.

[ARC 0397C, IAB 10/17/12, effective 11/21/12; ARC 1871C, IAB 2/18/15, effective 3/25/15; ARC 2205C, IAB 10/28/15, effective 12/2/15]

[Filed ARC 0397C (Notice ARC 0248C, IAB 8/8/12), IAB 10/17/12, effective 11/21/12]

[Filed ARC 1871C (Notice ARC 1688C, IAB 10/29/14), IAB 2/18/15, effective 3/25/15]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 24
RURAL IOWA PRIMARY CARE LOAN REPAYMENT PROGRAM

283—24.1(261) Rural Iowa primary care loan repayment program. The rural Iowa primary care loan repayment program is a state-supported and administered loan repayment program for students who agree to practice as physicians in service commitment areas for five consecutive years and meet the requirements of these rules.

[ARC 1320C, IAB 2/19/14, effective 3/26/14; ARC 1685C, IAB 10/29/14, effective 12/3/14]

283—24.2(261) Definitions. As used in this chapter:

“Eligible loan” means the physician’s total subsidized, unsubsidized, and consolidated Federal Stafford Loan amount under the Federal Family Education Loan Program, Federal Direct Loan Program, federal Graduate PLUS Loan, or federal Perkins Loan, including principal and interest. Only the outstanding portion of a federal consolidation loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan qualifies for loan repayment.

“Eligible university” means either the State University of Iowa Carver College of Medicine or Des Moines University College of Osteopathic Medicine.

“Maximum award” means the maximum amount of loan repayments that the physician can receive after completing all obligations under the rural Iowa primary care loan repayment program, not to exceed a total of \$200,000. The maximum award can be applied only to eligible loans; thus, payments cannot exceed the outstanding eligible loan balance at the time of payment.

“Physician” means an individual who holds a practitioner’s license issued by an agency or board under the Iowa department of public health and is employed in the practice of medicine and surgery or osteopathic medicine and surgery, specializing in family medicine, pediatrics, psychiatry, internal medicine, or general surgery.

“Residency program” means an accredited medical residency program located in the state of Iowa in which the residency is physically performed in the state of Iowa.

“Service commitment area” means a medically underserved Iowa city with a population of less than 26,000 that is located more than 20 miles from a city with a population of 50,000 or more. Each physician participating in the program must contract with the service commitment area to ensure the service commitment area provides a nonrefundable \$20,000 contribution for deposit in the rural Iowa primary care trust fund. Payment of the nonrefundable contribution to the trust fund can be made by, but is not limited to, the following organizations: community agencies, hospitals, medical groups, municipalities, community foundations, local government entities, or other community entities. Locations and distances between cities will be consistently measured and verified by calculating the straight-line distance between main post offices.

[ARC 1320C, IAB 2/19/14, effective 3/26/14; ARC 1685C, IAB 10/29/14, effective 12/3/14]

283—24.3(261) Eligibility requirements.

24.3(1) An eligible university will recommend up to ten applicants to the commission for loan repayment benefits. Priority will be given to students who are Iowa residents upon enrolling in the eligible university. “Iowa resident” means an individual who meets the residency requirements established in 283—Chapter 10. The percentage of the agreements to be entered into by students attending each eligible university shall be evenly divided.

a. The commission will annually determine and communicate the number of recommendations that can be funded at each eligible university.

b. If fewer than the recommendations in 24.3(1)“*a*” are fulfilled by students at one eligible university, the commission may obtain additional recommendations from the other eligible university to award the remaining agreements.

24.3(2) An applicant must enter into an agreement with the commission during the applicant’s final year of study leading to a doctor of medicine or osteopathy degree.

24.3(3) An applicant must be enrolled on a full-time basis and graduate with a doctor of medicine or osteopathy degree from an eligible university. The commission may waive the full-time enrollment

requirement for a temporary time frame only in the instance of a leave of absence approved by an eligible university. The applicant must request a waiver from the commission in writing.

24.3(4) An applicant must apply for, enter, and complete a residency program in Iowa.

24.3(5) Within nine months of graduating from the residency program, an applicant must receive a permanent license to practice medicine and surgery or osteopathic medicine and surgery in the state of Iowa and engage in full-time practice, as defined by the service commitment area, of medicine and surgery or osteopathic medicine and surgery specializing in family medicine, pediatrics, psychiatry, internal medicine, or general surgery for a period of five consecutive years in a service commitment area.

24.3(6) An applicant must annually complete and return to the commission an affidavit of acceptance into and completion of residency programs and acceptance of and completion of employment obligations in a service commitment area.

24.3(7) Prior to or upon engagement in full-time employment in a service commitment area, the physician must contract with a service commitment area to provide a nonrefundable \$20,000 contribution for deposit in the rural Iowa primary care trust fund. Payment must be received by the commission from a service commitment area prior to payment of any loan repayment awards.

24.3(8) Failure by the applicant to meet all eligibility requirements under this rule and in the agreement will result in forfeiture of all remaining unpaid payments.

[ARC 1320C, IAB 2/19/14, effective 3/26/14; ARC 1685C, IAB 10/29/14, effective 12/3/14; ARC 2205C, IAB 10/28/15, effective 12/2/15]

283—24.4(261) Awarding of funds.

24.4(1) Prior to accepting an offer of employment, the physician must notify the commission of the service commitment area in which the physician will be employed, and the commission will verify the eligibility of the service commitment area.

24.4(2) The maximum award will be paid to the physician's eligible loan holder in five equal installments, upon successful completion of each of five 12-month employment obligations. Failure to complete all, or any portion, of the five-consecutive-year employment obligation will result in the forfeiture of all remaining unpaid payments. A physician who fails to meet the requirements of these rules may also be subject to repayment of moneys advanced by the service commitment area as provided in any contract between the physician and the service commitment area.

24.4(3) No loan repayment amounts will be paid until the service commitment area provides the nonrefundable \$20,000 contribution for deposit into the rural Iowa primary care trust fund.

[ARC 1320C, IAB 2/19/14, effective 3/26/14; ARC 1685C, IAB 10/29/14, effective 12/3/14]

283—24.5(261) Waivers.

24.5(1) *Service commitment area.* The commission may waive the requirement that the physician practice in the same service commitment area for five years. The physician must request a waiver from the commission in writing.

24.5(2) *Full-time employment.* The commission may waive the requirement that the physician be employed full-time if the physician demonstrates exceptional circumstances. The physician must request a waiver from the commission in writing. If a waiver request is granted by the commission, the agreement will be amended to provide an allowance for part-time employment. The five-year employment obligation will be proportionally extended to ensure the physician is employed in a service commitment area for the equivalent of five full-time years.

24.5(3) *Postponement of physician employment.* The physician obligation to engage in practice in accordance with 24.3(5) may be postponed for no more than two years from the time full-time practice was to commence. The physician must request a waiver from the commission in writing for one of the following purposes:

- a. Active duty service in the armed forces, the armed forces military reserve, or the national guard.
- b. Service in Volunteers in Service to America or the federal Peace Corps.
- c. A service commitment to the United States Public Health Service Commissioned Corps.

d. A period of religious missionary work conducted by an organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.

The physician obligation to engage in practice in accordance with 24.3(5) may be postponed for a period exceeding two years for any period of temporary medical incapacity, including leave approved under the Family and Medical Leave Act, during which the physician is unable to engage in full-time practice. The physician must request a waiver from the commission in writing.

24.5(4) *Satisfaction of physician employment.* All obligations under the rural Iowa primary care loan repayment program are considered to be satisfied when any of the following conditions are met:

- a. All terms of the agreement are met.
- b. The person who entered into the agreement dies.
- c. The person who entered into the agreement, due to permanent disability, is unable to meet the requirements of these rules.
- d. The person who entered into the agreement has no remaining eligible loan balance to repay.

[ARC 1320C, IAB 2/19/14, effective 3/26/14; ARC 1685C, IAB 10/29/14, effective 12/3/14]

283—24.6(261) Loan repayment cancellation.

24.6(1) Within 30 days following withdrawal from an eligible university, or termination of employment from a residency program or as a physician in a service commitment area, the applicant must notify the commission.

24.6(2) The applicant is responsible for notifying the commission immediately of a change in contact information including, but not limited to, name, telephone number, e-mail address, and place of employment.

[ARC 1320C, IAB 2/19/14, effective 3/26/14]

283—24.7(261) Restrictions. A physician who is in default on a Federal Stafford Loan, Grad PLUS Loan, SLS Loan, Perkins/National Direct/National Defense Student Loan, Health Professions Student Loan (HPSL), or Health Education Assistance Loan (HEAL) or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for loan repayment. Eligibility may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapters 4 and 5.

[ARC 1320C, IAB 2/19/14, effective 3/26/14]

These rules are intended to implement Iowa Code section 261.113 as amended by 2014 Iowa Acts, Senate File 2347.

[Filed ARC 1320C (Notice ARC 1121C, IAB 10/16/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 1685C (Notice ARC 1586C, IAB 8/20/14), IAB 10/29/14, effective 12/3/14]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 25
RURAL IOWA ADVANCED REGISTERED NURSE PRACTITIONER AND
PHYSICIAN ASSISTANT LOAN REPAYMENT PROGRAM

283—25.1(261) Rural Iowa advanced registered nurse practitioner and physician assistant loan repayment program. The rural Iowa advanced registered nurse practitioner and physician assistant loan repayment program is a state-supported and administered loan repayment program for applicants who agree to practice as advanced registered nurse practitioners or physician assistants in service commitment areas for five consecutive years and meet the requirements of these rules.
[ARC 1321C, IAB 2/19/14, effective 3/26/14; ARC 1686C, IAB 10/29/14, effective 12/3/14]

283—25.2(261) Definitions. As used in this chapter:

“Advanced registered nurse practitioner” means an individual who graduated from a graduate-level credential program at an eligible university, holds a practitioner’s license to practice as an advanced registered nurse practitioner pursuant to Iowa Code chapter 152, and is employed in the practice of nursing in an eligible service commitment area.

“Eligible loan” means the advanced registered nurse practitioner’s or physician assistant’s total subsidized, unsubsidized, and consolidated Federal Stafford Loan amount under the Federal Family Education Loan Program, Federal Direct Loan Program, federal Graduate PLUS Loan, or federal Perkins Loan, including principal and interest. Only the outstanding portion of a federal consolidation loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan qualifies for loan repayment.

“Eligible university” means a college or university that meets the requirements of Iowa Code section 261.2, subsection 11, and is an institution of higher learning under the control of the state board of regents or an accredited private institution as defined in Iowa Code section 261.9. An eligible university must complete and return the forms to the commission to participate in the program.

“Maximum award” means the maximum amount of loan repayments that the advanced registered nurse practitioner or physician assistant can receive after completing all obligations under the rural Iowa advanced registered nurse practitioner and physician assistant loan repayment program, not to exceed a total of \$20,000. The maximum award can be applied only to eligible loans; thus, payments cannot exceed the outstanding eligible loan balance at the time of payment.

“Physician assistant” means an individual who graduated with a master’s degree in a physician assistant studies program at an eligible university, holds a practitioner’s license to practice as a physician assistant pursuant to Iowa Code chapter 148C, and is employed as a physician assistant in an eligible service commitment area.

“Service commitment area” means a medically underserved Iowa city with a population of less than 26,000 that is located more than 20 miles from a city with a population of 50,000 or more. Each applicant participating in the program must contract with the service commitment area to ensure the service commitment area provides a nonrefundable \$2,000 contribution for deposit in the rural Iowa advanced registered nurse practitioner and physician assistant trust fund. Payment of the nonrefundable contribution to the trust fund can be made by, but is not limited to, the following organizations: community agencies, hospitals, medical groups, municipalities, community foundations, local government entities, or other community entities. Locations and distances between cities will be consistently measured and verified by calculating the straight-line distance between main post offices.

“Surplus funds” means funding available after the maximum award has been obligated to all recommended applicants in accordance with rule 283—25.3(261).

[ARC 1321C, IAB 2/19/14, effective 3/26/14; ARC 1686C, IAB 10/29/14, effective 12/3/14]

283—25.3(261) Eligibility requirements.

25.3(1) The commission will annually determine and communicate the number of physician assistant and advanced registered nurse practitioner recommendations that can be funded at each eligible university. The intent of this determination will be to ensure that an equal number of students in each program at eligible universities are able to enter into an agreement. Priority will be given to

applicants who are Iowa residents upon enrolling in the eligible university. “Iowa resident” means an individual who meets the residency requirements established in 283—Chapter 10. If fewer than the maximum number of physician assistants or advanced registered nurse practitioners are recommended at an eligible university, the commission may obtain additional recommendations from the other eligible universities to award the remaining agreements.

25.3(2) An applicant must enter into an agreement with the commission during the applicant’s final year of study leading to eligibility for licensure as an advanced registered nurse practitioner or physician assistant.

25.3(3) An applicant must be enrolled on a full-time basis and graduate from an eligible university with a graduate-level credential that qualifies the applicant to work as a physician assistant or advanced registered nurse practitioner. The commission may waive the full-time enrollment requirement for a temporary time frame only in the instance of a leave of absence approved by an eligible university. The applicant must request a waiver from the commission in writing.

25.3(4) Within nine months of graduating from an eligible university, an applicant must receive a permanent license to practice nursing or to work as a physician assistant in the state of Iowa and engage in full-time practice, as defined by the service commitment area, as an advanced registered nurse practitioner or physician assistant for a period of five consecutive years in a service commitment area.

25.3(5) An applicant must annually complete and return to the commission an affidavit of completion of the employment obligation in a service commitment area.

25.3(6) Prior to or upon engagement in full-time employment in a service commitment area, the advanced registered nurse practitioner or physician assistant must contract with the service commitment area to provide a nonrefundable \$2,000 contribution for deposit in the rural Iowa advanced registered nurse practitioner and physician assistant trust fund. Payment must be received by the commission from the service commitment area prior to payment of any loan repayment awards to the advanced registered nurse practitioner or physician assistant.

25.3(7) Failure by the applicant to meet all eligibility requirements under these rules and in the agreement will result in forfeiture of all remaining unpaid payments.

[ARC 1321C, IAB 2/19/14, effective 3/26/14; ARC 1686C, IAB 10/29/14, effective 12/3/14; ARC 2205C, IAB 10/28/15, effective 12/2/15]

283—25.4(261) Awarding of funds.

25.4(1) Prior to accepting an offer of employment, the advanced registered nurse practitioner or physician assistant must notify the commission of the service commitment area in which the advanced registered nurse practitioner or physician assistant will be employed, and the commission will verify the eligibility of the service commitment area.

25.4(2) The maximum award will be paid to the advanced registered nurse practitioner’s or physician assistant’s eligible loan lender in five equal installments, upon successful completion of each of the five 12-month employment obligations. Failure to complete all, or any portion, of the five-consecutive-year employment obligation will result in the forfeiture of all remaining unpaid payments. An advanced registered nurse practitioner or physician assistant who fails to meet the requirements of these rules may also be subject to repayment of moneys advanced by the service commitment area as provided in any contract between the advanced registered nurse practitioner or physician assistant and the service commitment area.

25.4(3) No loan repayment amounts will be paid until the service commitment area provides the nonrefundable \$2,000 contribution for deposit into the rural Iowa advanced registered nurse practitioner and physician assistant trust fund.

25.4(4) If surplus funds are available, the commission will accept applications from physician assistants and advanced registered nurse practitioners practicing full-time in service commitment areas. Recipient selections shall be evenly divided between physician assistants and advanced registered nurse practitioners, to the extent possible. If surplus funds are not sufficient to fund all applicants, physician assistant and advanced registered nurse practitioner applicants will be prioritized by Iowa residency status, full-time employment status, individuals working in a federally designated Health Professional

Shortage Area (HPSA) or a Governor's Designated Rural Health Clinic county, total eligible student loan debt (highest receiving priority), and application date (earliest submitted receiving priority). Recipients will enter into agreements with the commission, and payments will be made in accordance with subrules 25.4(2) and 25.4(3).

[ARC 1321C, IAB 2/19/14, effective 3/26/14; ARC 1686C, IAB 10/29/14, effective 12/3/14]

283—25.5(261) Waivers.

25.5(1) *Service commitment area.* The commission may waive the requirement that the advanced registered nurse practitioner or physician assistant practice in the same service commitment area for five years. The advanced registered nurse practitioner or physician assistant must request a waiver from the commission in writing.

25.5(2) *Full-time employment.* The commission may waive the requirement that the advanced registered nurse practitioner or physician assistant be employed full-time if the advanced registered nurse practitioner or physician assistant demonstrates exceptional circumstances. The advanced registered nurse practitioner or physician assistant must request a waiver from the commission in writing. If a waiver request is granted by the commission, the agreement will be amended to provide an allowance for part-time employment. The five-year employment obligation will be proportionally extended to ensure the advanced registered nurse practitioner or physician assistant is employed in a service commitment area for the equivalent of five full-time years.

25.5(3) *Postponement of advanced registered nurse practitioner or physician assistant employment.* The advanced registered nurse practitioner or physician assistant obligation to engage in practice in accordance with 25.3(4) may be postponed for no more than two years from the time full-time practice was to commence. The advanced registered nurse practitioner or physician assistant must request a waiver from the commission in writing for one of the following purposes:

- a. Active duty service in the armed forces, the armed forces military reserve, or the national guard.
- b. Service in Volunteers in Service to America or the federal Peace Corps.
- c. A service commitment to the United States Public Health Service Commissioned Corps.
- d. A period of religious missionary work conducted by an organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.

The advanced registered nurse practitioner or physician assistant obligation to engage in practice in accordance with 25.3(4) may be postponed for a period exceeding two years for any period of temporary medical incapacity, including leave approved under the Family and Medical Leave Act, during which the advanced registered nurse practitioner or physician assistant is unable to engage in full-time practice. The advanced registered nurse practitioner or physician assistant must request a waiver from the commission in writing.

25.5(4) *Satisfaction of advanced registered nurse practitioner or physician assistant employment.* All obligations under the rural Iowa advanced registered nurse practitioner and physician assistant loan repayment program are considered to be satisfied when any of the following conditions are met:

- a. All terms of the agreement are met.
- b. The person who entered into the agreement dies.
- c. The person who entered into the agreement, due to permanent disability, is unable to meet the requirements of these rules.
- d. The person who entered into the agreement has no remaining eligible loan balance to repay.

[ARC 1321C, IAB 2/19/14, effective 3/26/14; ARC 1686C, IAB 10/29/14, effective 12/3/14]

283—25.6(261) Loan repayment cancellation.

25.6(1) Within 30 days following withdrawal from an eligible university, or termination of employment from a residency program or as an advanced registered nurse practitioner or physician assistant in a service commitment area, the applicant must notify the commission.

25.6(2) The applicant is responsible for notifying the commission immediately of a change in contact information including, but not limited to, name, telephone number, e-mail address, and place of employment.

[ARC 1321C, IAB 2/19/14, effective 3/26/14]

283—25.7(261) Restrictions. An advanced registered nurse practitioner or physician assistant who is in default on a Federal Stafford Loan, Grad PLUS Loan, SLS Loan, Perkins/National Direct/National Defense Student Loan, Health Professions Student Loan (HPSL), or Health Education Assistance Loan (HEAL) or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for loan repayment. Eligibility may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapters 4 and 5.

[ARC 1321C, IAB 2/19/14, effective 3/26/14]

These rules are intended to implement Iowa Code section 261.114 as amended by 2014 Iowa Acts, Senate File 2347.

[Filed ARC 1321C (Notice ARC 1120C, IAB 10/16/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 1686C (Notice ARC 1587C, IAB 8/20/14), IAB 10/29/14, effective 12/3/14]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 28
TEACH IOWA SCHOLAR PROGRAM

283—28.1(261) Teach Iowa scholar program. The teach Iowa scholar program is a state-funded and administered benefit for high-achieving Iowans teaching in eligible teaching fields in Iowa.
[ARC 1572C, IAB 8/20/14, effective 9/24/14]

283—28.2(261) Definitions. As used in this chapter:

“*Commission*” means the Iowa college student aid commission.

“*Department*” means the Iowa department of education.

“*Eligible school or agency*” means a public school district, area education agency, charter school, and accredited nonpublic school recognized and approved by the department.

“*Eligible student loan*” means a recipient’s total subsidized, unsubsidized, and consolidated Federal Stafford Loan amount under the Federal Family Education Loan Program, Federal Direct Loan Program, federal Graduate PLUS Loan, or federal Perkins Loan, including principal and interest. Only the outstanding portion of a federal consolidation loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan qualifies as an eligible student loan.

“*Eligible teaching field*” means hard-to-staff subjects as identified by the director of the department. In selecting hard-to-staff subjects, the department shall consider the varying regional needs in the state.

“*Preparation program*” means the programs of practitioner preparation leading to licensure of teachers, administrators, and other professional school personnel.

“*Teacher*” means an individual who holds a practitioner’s license or a statement of professional recognition issued under Iowa Code chapter 272 and who is employed in a nonadministrative position by a school district or area education agency pursuant to a contract issued by a board of directors under Iowa Code section 279.13. “Teacher” also includes a preschool teacher who is licensed by the board of educational examiners under Iowa Code chapter 272 and is employed by an eligible school or agency.
[ARC 1572C, IAB 8/20/14, effective 9/24/14]

283—28.3(261) Eligibility requirements. An applicant must:

28.3(1) Have graduated in the top 25 percent academically of students completing teacher preparation programs, as certified by the postsecondary institution offering the teacher preparation program from which the applicant graduates.

28.3(2) Be a teacher providing instruction on a full-time basis in an eligible teaching field or in a combination of eligible teaching fields in an eligible school or agency.

28.3(3) File an application annually on or before the deadline established by the commission to be considered for funding.

28.3(4) Annually complete and return to the commission an affidavit of practice verifying annual employment in an eligible teaching field.
[ARC 1572C, IAB 8/20/14, effective 9/24/14]

283—28.4(261) Awarding of funds.

28.4(1) Selection criteria. All applicants meeting the eligibility requirements will be considered for funding. In the event that all on-time applicants cannot be funded with the available appropriation, criteria for selection of recipients will be prioritized as follows:

- a. Award renewal status;
- b. Graduation date, grouped by academic year, with the most recent academic year graduates given priority;
- c. Prioritized annual ranking of eligible teaching fields by the department, with the highest ranking fields being served first, if information is available;
- d. Prioritized annual ranking of regional need within eligible teaching fields by the department, with the highest ranking regions being served first within each ranked eligible teaching field, if information is available;
- e. Iowa resident status;

f. Date of application.

28.4(2) *Maximum award and extent of receipt.*

a. The maximum annual award shall not exceed \$4,000.

b. A recipient may receive up to \$20,000 over a five-year period, beginning with the first year of receipt.

c. Designated applicants teaching hard-to-staff subjects shall not be impacted in subsequent years if the subject is no longer identified by the department as a hard-to-staff subject.

28.4(3) *Disbursement of award.* The maximum annual award will be paid either directly to the teacher or to the teacher's eligible student loan holder upon successful completion of each annual employment obligation. The commission will annually verify completion of the teacher's employment obligation with the eligible school or agency prior to payment.

[ARC 1572C, IAB 8/20/14, effective 9/24/14; ARC 2209C, IAB 10/28/15, effective 12/2/15]

283—28.5(261) Award cancellation.

28.5(1) The teacher must notify the commission within 30 days following termination or change of employment in an eligible teaching field or an eligible school or agency.

28.5(2) The teacher is responsible for notifying the commission immediately of a change in contact information including, but not limited to, name, telephone number and e-mail address.

[ARC 1572C, IAB 8/20/14, effective 9/24/14]

These rules are intended to implement Iowa Code section 261.110.

[Filed ARC 1572C (Notice ARC 1419C, IAB 4/16/14), IAB 8/20/14, effective 9/24/14]

[Filed ARC 2209C (Notice ARC 2110C, IAB 8/19/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 32
CHIROPRACTIC GRADUATE STUDENT FORGIVABLE LOAN PROGRAM

283—32.1(261) Chiropractic graduate student forgivable loan program. The chiropractic graduate student forgivable loan program is a state-supported and administered forgivable loan program for Iowans enrolled at Palmer College of Chiropractic, hereinafter “the college.”

32.1(1) Definitions. As used in this chapter:

“*Chiropractic practice*” means working full-time as a licensed chiropractor in the state of Iowa as certified by the state board of examiners.

“*Graduate student*” means a student who has completed at least 90 semester hours, or the trimester or quarter equivalent, of postsecondary coursework at a public higher education institution or at an accredited private institution, as defined under Iowa Code section 261.9.

“*Iowa resident student*” means an individual who meets the criteria established in 283—Chapter 10.

“*Underserved area*” means a geographical area included on the Iowa governor’s health practitioner shortage area list, which is compiled by the center for rural health and primary care of the Iowa department of public health.

32.1(2) Recipient eligibility.

a. Graduate students who are enrolled at the college on or after July 1, 1999, who meet the Iowa residency requirements established in 283—Chapter 10 and agree to practice chiropractic in underserved areas in Iowa are eligible to apply for program benefits.

b. The annual amount of the forgivable loan to an eligible chiropractic student is determined by dividing the annual appropriation by the number of eligible students. The loan amount shall not exceed the student’s annual cost of tuition and fees.

c. Eligible students who borrowed prior to July 1, 1999, and seek additional assistance must agree to practice in underserved areas in Iowa to qualify for cancellation benefits for all loans.

d. Rescinded IAB 8/6/03, effective 9/10/03.

32.1(3) Promissory note. The chiropractic recipient of a loan under this program shall sign a promissory note agreeing to practice chiropractic in an underserved area in Iowa for one full year for each loan received or to repay the loan and accrued interest according to repayment terms specified in the note.

32.1(4) Interest rate. The rate of interest on loans under this program shall be 10.5 percent per annum on the unpaid principal balance.

32.1(5) Disbursement of loan proceeds.

a. The full loan amount will be disbursed when the college certifies that the borrower is an Iowa resident and enrolled in good standing.

b. Loan proceeds will be disbursed to the college as requested by the college.

c. The college will apply loan proceeds directly to the borrowers’ tuition accounts.

d. If the borrower withdraws from attendance and is entitled to a refund of tuition and fees, the pro-rata share of the refund attributable to the state loan must be refunded to the commission.

32.1(6) Loan cancellations.

a. Thirty days following the termination of enrollment at the college or termination of a chiropractic practice in the state of Iowa, the borrower shall notify the commission of the nature of the borrower’s employment or educational status.

b. To certify eligibility for cancellation, the borrower must annually verify, in a format acceptable to the commission, that the borrower practiced as a licensed chiropractor in the state of Iowa for 12 consecutive months for each annual loan to be canceled.

c. If the borrower qualifies for partial loan cancellation, the commission shall notify the borrower promptly and revise the repayment schedule accordingly.

d. In the event of death or total and permanent disability, a borrower’s obligation to pay this loan is canceled. Borrowers seeking forgiveness as a result of total or permanent disability must submit sufficient information substantiating the claim to the commission. Reports of a borrower’s death will be referred to the licensing board for confirmation.

32.1(7) *Loan payments.*

a. Prior to the start of the repayment period, the commission shall provide the borrower with a repayment schedule, modified to reflect any applicable cancellation benefits.

b. It shall be the borrower's responsibility to remit payments to the commission as required by the repayment schedule.

c. In the event the borrower fails to abide by any material provision of the promissory note or fails to make any payment due under the promissory note within ten days after the date the payment is due, the commission may declare the borrower in default and declare the entire unpaid balance and accrued interest on the promissory note due.

d. The borrower is responsible for notifying the commission immediately of a change in name, place of employment, or home address.

32.1(8) *Deferral of repayment.*

a. Repayment of the borrower's loan obligation shall begin one year after the borrower graduates if the borrower does not practice chiropractic in an underserved area in Iowa.

b. Repayment of the borrower's loan obligation may be deferred under the following circumstances: return to full-time study; active duty in the United States military service, not to exceed three years; or during a period of temporary disability, not to exceed three years.

c. Repayment of the borrower's loan obligation under this loan program is not required during periods of enrollment as a student at the college or while fulfilling the physician service requirement.

d. Forbearance is a revision in repayment terms to temporarily postpone payments. It may be granted when a borrower experiences a temporary hardship and is willing but unable to pay in accordance with the repayment schedule. Borrowers remain responsible for interest accrual during forbearance periods. The program administrator may grant forbearance for periods of less than six months; periods of greater than six months but less than one year must be approved by the executive director. Forbearance periods exceeding one year must be approved by the commission.

e. Borrowers failing to meet the service requirement shall be required to repay the loan on a prorated basis. The prorated balance will be calculated by dividing the number of days remaining in the service period by the number of days in the service period multiplied by the loan amount.

f. Loans not forgiven may be sold to a bank, savings and loan association, credit union, or nonprofit agency eligible to participate in the guaranteed student loan program under the federal Higher Education Act of 1965, 20 U.S.C. §1071 et seq., by the commission when the loans become due for repayment.

32.1(9) *Restrictions.* A borrower who is in default on a Stafford Loan, SLS Loan, Perkins/National Direct/National Defense Student Loan, Health Professions Student Loan (HPSL), or Health Education Assistance Loan (HEAL) or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for loan payments. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapter 5, Iowa Administrative Code.

This rule is intended to implement Iowa Code section 261.71.

[ARC 2205C, IAB 10/28/15, effective 12/2/15]

[Filed 9/18/97, Notice 6/18/97—published 10/8/97, effective 11/12/97]

[Filed 8/20/99, Notice 6/16/99—published 9/8/99, effective 10/13/99]

[Filed 7/17/03, Notice 4/30/03—published 8/6/03, effective 9/10/03]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 36
GOVERNOR TERRY E. BRANSTAD
IOWA STATE FAIR SCHOLARSHIP PROGRAM

283—36.1(77GA,ch1215) Governor Terry E. Branstad Iowa state fair scholarship program. The Governor Terry E. Branstad Iowa state fair scholarship program is a privately funded scholarship program for Iowa residents who actively participate in the Iowa state fair and enroll as undergraduate students in eligible Iowa institutions.

36.1(1) Definitions. As used in this chapter:

“Eligible institution” means an institution of higher learning located in Iowa under the control of the state board of regents, a North Central Association of Colleges and Schools (NCA) accredited independent institution as defined in Iowa Code section 261.9, or a state-supported community college.

“Iowa resident student” means an individual who meets the criteria established in 283—Chapter 10.

“Located in Iowa” means a college or university accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, that has made a substantial investment in a permanent Iowa campus and staff, and that offers a full range of courses leading to the degrees offered by the institution as well as a full range of student services.

36.1(2) Eligibility for scholarship.

a. An applicant must be an Iowa resident who has graduated from an accredited secondary school in Iowa.

b. An applicant for assistance under this program must enroll at an eligible institution.

c. An applicant must release test scores, rank in class, grade point average, and need analysis information to the commission on forms specified by the commission, by the deadline date determined by the commission. In addition, each applicant must provide the following information, as stated in the application instructions: essay, description of state fair participation, description of school and community activities, and description of community services.

36.1(3) Selection. A panel of judges representing the following agencies will choose recipients: governor’s staff, the Iowa state fair board, the Iowa department of education, the Iowa department of agriculture and land stewardship, and the Iowa college student aid commission.

36.1(4) Monetary award.

a. Up to ten awards, not to exceed \$5,000 per award, will be awarded annually. No student shall receive more than the student’s established financial need.

b. A scholarship of up to \$5,000 will be awarded each year to the Iowa state fair queen.

c. The Governor Terry E. Branstad Iowa state fair scholarship fund will be established in the office of the state treasurer.

36.1(5) Restrictions. An applicant who is in default on a Stafford Loan, SLS Loan, Perkins/National Direct/National Defense Student Loan, Health Professions Student Loan (HPSL), or Health Education Assistance Loan (HEAL) or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for this scholarship. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapters 4 and 5, Iowa Administrative Code.

This rule is intended to implement Iowa Code section 261.24.

[ARC 0246C, IAB 8/8/12, effective 7/13/12; ARC 0945C, IAB 8/21/13, effective 9/25/13; ARC 2205C, IAB 10/28/15, effective 12/2/15; ARC 2208C, IAB 10/28/15, effective 12/2/15]

[Filed 11/25/98, Notice 8/26/98—published 12/16/98, effective 1/20/99]

[Filed 7/17/03, Notice 4/30/03—published 8/6/03, effective 9/10/03]

[Filed Emergency After Notice ARC 0246C (Notice ARC 0089C, IAB 4/18/12), IAB 8/8/12, effective 7/13/12]

[Filed ARC 0945C (Notice ARC 0780C, IAB 6/12/13), IAB 8/21/13, effective 9/25/13]

[Filed ARC 2205C (Notice ARC 2037C, IAB 6/24/15), IAB 10/28/15, effective 12/2/15]

[Filed ARC 2208C (Notice ARC 2101C, IAB 8/19/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 25
IOWA TARGETED SMALL BUSINESS CERTIFICATION PROGRAM

The purpose of the Iowa targeted small business certification program is to certify small businesses that meet the criteria of the targeted small business program.

481—25.1(73) Definitions.

“Certification” means the process which identifies small businesses as targeted and eligible for financial and technical assistance.

“Conditional certification” means a temporary certification identifying targeted group persons-owned companies before the business is operational in order for the applicant to apply for financial and technical assistance.

“Contractor” means the person who contracts to perform work for the state.

“Cottage industry” means a business where the principal place of business is the owner’s residence.

“Department” means the department of inspections and appeals.

“Disability” means, with respect to an individual, a physical or mental impairment that substantially limits one or more of the major life activities of the individual, a record of physical or mental impairment that substantially limits one or more of the major life activities of the individual, or being regarded as an individual with a physical or mental impairment that substantially limits one or more of the major life activities of the individual. “Disability” does not include any of the following:

1. Homosexuality or bisexuality.
2. Transvestitism, transsexualism, pedophilia, exhibitionism, voyeurism, gender identity disorders not resulting from physical impairments, or other sexual behavior disorders.
3. Compulsive gambling, kleptomania, or pyromania.
4. Psychoactive substance abuse disorders resulting from current illegal use of drugs.

“Experience or expertise” means the targeted group owner’s or owners’ experience or expertise must be:

1. In the areas critical to the operation of the business; and
2. Specific to the type of work the business performs.

“Family” means a group of people who are related as follows: father, mother, son, daughter, brother, sister, husband, wife, grandmother, grandfather, grandchildren, stepfather, stepmother, stepdaughter, stepson, stepbrother, stepsister, half-sister, or half-brother.

“Family-owned business” means a business owned by more than one member of one family. Characteristics of a family-owned business include, but are not limited to:

1. Ownership is shared by family members;
2. Profits are disbursed among family members;
3. Business tax return is filed in the name of the company with the family members listed as officers.

“Gross income” means the total sales less the cost of goods sold plus any income from investments and from incidentals or outside operations or sources.

“Intention” means an attempt has been made to perform the work.

“Lending institution” means any bank, savings and loan or credit union.

“Major life activity” includes functions such as caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, or working.

“Minority” means an individual who is a Black, Latino, Asian, Pacific Islander, American Indian or Alaskan Native American.

“Owner’s residence” means the owner’s legal residence.

“Person” means individual, corporation, government or governmental subdivision or agency, estate, trust, partnership or association, or any other legal entity.

“Service-disabled veteran” means the same as defined in 15 U.S.C. Section 632.

“Single management” means a business which is not a subsidiary of any other business.

“Targeted group persons (TGP)” means minorities, women, persons with disabilities, and service-disabled veterans.

“Targeted small business (TSB)” means a small business which is 51 percent or more owned, operated, and actively managed by one or more targeted group persons provided the business meets all of the following requirements:

1. Is located in this state;
2. Is operated for profit;
3. Has an annual gross income of less than \$4 million, computed as an average of the three preceding fiscal years.

“Targeted small business owner” means one or more women, minorities, persons with disabilities, service-disabled veterans, or a combination thereof, owning at least 51 percent of a business.

“Uniform small business vendor application” means the application developed by the Iowa department of economic development which can be adopted by all agencies and departments of state government to identify small businesses and targeted small businesses. The form contains information which can be used to determine certification as a targeted small business for participation in the Iowa targeted small business procurement program.

“Woman” means any female 18 years of age or older.

[ARC 2221C, IAB 10/28/15, effective 12/2/15]

481—25.2(10A) Certification. The department is responsible for ascertaining that a small business is owned, operated, and actively managed by a targeted group person.

25.2(1) Regular certification. Before a small business can participate in the Iowa targeted small business program, it must be certified by the department.

- a. The department shall review applications from small businesses to determine whether they are eligible to participate in the program.
- b. Certification means the department has determined that the business meets eligibility standards.
- c. Applications for targeted small business certification are available from the Audits Division, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083.
- d. Applicants shall receive written notification of the decision.
- e. An application processing fee will be charged for each new application. This processing fee must accompany the application for certification. The application processing fee will not be refunded if the business is denied certification.

25.2(2) Conditional certification. Some businesses are temporarily certified as targeted group person-owned before the business has been purchased or has become operational.

- a. Conditional certification may be in effect for six months and may be used for the purpose of applying for financial and technical assistance available to a TSB. The department may grant an extension of conditional certification if progress toward operational status is being made.
- b. The business name will not be placed in the Iowa targeted small business directory until the business is operational.
- c. The business will not be contacted by state purchasing authorities for a bid until open for business.
- d. It shall be the responsibility of the targeted small business to notify the department when the business has become operational.
- e. Additional documents may be required of new businesses, such as proof of experience or a business plan. Businesses may be requested to provide documentation of continued eligibility at any time during and after conditional certification.
- f. An application processing fee will be charged for each new application. This processing fee must accompany the application for conditional certification. The application processing fee will not be refunded if the business is denied conditional certification. An additional application processing fee will be charged when the business notifies the department that the business is operational.

25.2(3) Recertification. Certified businesses shall submit verification of continued eligibility to the department at least every two years.

- a. The form for recertification will be provided by the department.
- b. Other documents will be requested to verify the continuing eligibility of the business.
- c. An application processing fee will be charged for each renewal application. This processing fee must accompany the application for recertification. The application processing fee will not be refunded if the business is denied recertification.

25.2(4) Various and specific documentation may be required by the department during the certification process. Each business shall provide relevant information upon the department's request in order to be considered for certification.

Applications shall be signed by an authorized representative of the business. An authorization to release information is part of each application and shall be signed by the applicant. This signature shall be notarized.

25.2(5) A business may reapply upon proof of compliance with TSB certification standards. Any company that is denied certification or decertified for any reason bears the burden of proving that all deficiencies previously cited have been corrected. Corrections shall be in accordance with requirements governing the targeted small business program. The burden of proof to recertify a business is the responsibility of the owner of that business. Applications may be requested from Targeted Small Business Certification, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083.

25.2(6) The department shall be notified within 30 days following a change in ownership or control of a certified business. A new application shall be filed showing the change and must be accompanied by sufficient documentation to determine whether the business continues to be eligible to participate in the TSB program.

25.2(7) An applicant for certification as an Iowa targeted small business may indicate in writing that a similar application is pending with an agency other than the department. When the department considers another certification process equal to or more stringent than the process described in these rules, an applicant may submit the information required for the other process.

The department may certify a business as a TSB based on copies of the information provided to another agency. The Iowa application for certification as a TSB may still be required. Certification as a targeted small business in Iowa is granted only by the department of inspections and appeals. Certification by any other entity does not ensure certification as a targeted small business in Iowa.

25.2(8) Disability determinations.

a. *Person with a disability.* In order to be considered a person with a disability for the purpose of the TSB program, the person must qualify and receive certification as having a disability from a licensed medical physician or must have been found eligible for vocational rehabilitation services by the department of education, division of vocational rehabilitation services, or by the department for the blind.

b. *Service-disabled veteran.* In order to be considered a service-disabled veteran for the purpose of the TSB program, the person must provide written verification from the Veterans Administration or the United States Department of Defense of a service-connected disability, as defined in 38 U.S.C. Section 101(16).

[ARC 2221C, IAB 10/28/15, effective 12/2/15]

481—25.3(17A) Description of application. The TSB application requires information about the people who own, control, and manage the applicant business. Names, current addresses, verification of targeted group status and the employer's federal identification number, if applicable, are required. The proportion of ownership of the business and the names of stockholders or owners must be included. Documents which establish financial responsibility may be required.

Specific questions are asked regarding the applicant's contracts, credit, income, inventory, loans, personnel, payroll, taxes, and volume of business.

25.3(1) The information contained in the application may be reviewed by the applicant upon request to the Audits Division, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083. Material to be added to a file may be sent to the department.

25.3(2) Information collected by the department is considered investigative and is confidential pursuant to Iowa Code sections 10A.105, 22.7(6) and 22.7(18). State and federal tax returns are confidential and will be released only at a hearing or to the applicant or the applicant's designee.

25.3(3) Information about targeted small businesses and their owners is stored in a data processing system. This information is not matched with any other data processing system. Paper files are stored by the department in the audits division in alphabetical order by business name.

This rule is intended to implement Iowa Code sections 17A.3(1), 22.11, and 422.20.

481—25.4(10A) Eligibility standards. Pursuant to the authority of Iowa Code section 10A.104(8), the department has established standards to certify targeted small businesses. These standards are intended to indicate whether a business is owned, operated and actively managed by targeted group persons.

25.4(1) The applicant shall be an independent business. The following list describes elements of a business which indicate independent status.

a. The targeted group person owner(s) shall enjoy the customary incidents and profits of ownership and shall share in the risks commensurate with their ownership interest. This shall be demonstrated by the substance rather than the form of the arrangements. Title and authority shall be commensurate with ownership and control.

b. The business shall be owned, operated and actively managed by the same people, a single management.

c. A board of directors and stockholders shall each have a membership comprised of at least 51 percent targeted group persons.

d. The applicant business shall be compensated for facilities, inventory, equipment, labor, or other items which it owns and shares with any other business. Compensation shall not vary from common industry practice.

e. The targeted group person owner(s) shall have independent authority and ability to incur liability and to decide financial and policy questions. The business arrangements of owners, directors, officers or key employees with businesses which are not minority-, woman-, persons with disabilities-, or service-disabled veteran-owned shall not vary from common industry practice. Each industry has practices which differ from other industries.

f. Independent authority and ability to hire and to fire all personnel shall be vested in the targeted group person owner(s).

g. Recognition of the business as a separate entity for tax or corporate purposes is not solely sufficient for certification as a targeted small business.

25.4(2) The targeted group person owner(s) shall make the business decisions for the business without any restrictions, either formal or informal. This includes, but is not limited to, bylaw provisions, partnership agreements, charter requirements for cumulative voting rights, or employment agreements.

25.4(3) The targeted group person owner(s) shall direct or cause the direction of the business. The owner(s) shall make day-to-day decisions as well as major decisions on management policy and operation of the business.

The department will consider particular positions to determine who has major responsibility in a company. These people include, but are not limited to, those who:

- a.* Hold any applicable license;
- b.* Devote substantial time to the business;
- c.* Supervise management and field operations;
- d.* Manage financial affairs;
- e.* Prepare or approve bids or estimates;
- f.* Participate in price and bidding negotiations;
- g.* Make final decisions about staff and personnel;
- h.* Sign contracts and checks or authorize their signature.

25.4(4) Any relationship between a TSB and a business which is not a TSB, but which has an interest in the TSB, shall be carefully reviewed to determine if the interest of the non-TSB conflicts with the ownership and control requirements of this rule.

25.4(5) The contributions of capital and expertise by the targeted group person owner(s) to acquire interest in the business shall be real and substantial. The following list includes acceptable elements of ownership.

a. Company documents, such as stock certificates, articles of incorporation, minutes of board meetings, partnership agreements or income tax returns reflect targeted group person ownership;

b. Independent contributions of capital are made by the targeted group person owner(s). Proof of this independent contribution of capital made by the targeted group person owner(s) to acquire interest in the business must accompany the certification application;

c. Independent contributions of expertise are made by the targeted group person owner(s). The targeted group person owner(s) must have an overall understanding of, managerial and technical competence in, and expertise directly related to the type of business in which the firm is engaged and in the firm's operations. Generally, expertise limited to office management, administration, or bookkeeping functions unrelated to the activities of the business is insufficient to demonstrate control of the business;

d. Independent risk of loss and share of profit by the targeted group person owner(s) are commensurate with their proportion of ownership.

Fifty-one percent or more of securities which constitute ownership or control of a corporation for purposes of establishing it as a TSB shall be held directly by targeted group persons.

An inherited business may be eligible for targeted small business status. Capital contribution, expertise and experience in the inherited business are not required. All other standards apply.

Documentation may be required to prove compliance with all standards.

[ARC 2221C, IAB 10/28/15, effective 12/2/15]

481—25.5(10A) Special consideration. In addition to the above standards, the department may give consideration to other circumstances to determine eligibility. These are to ensure that only bona fide targeted group person-owned businesses are certified.

25.5(1) A previous or continuing employer-employee relationship between present owners will be carefully reviewed to ensure that the employee-owner has substantial management and decision-making responsibilities.

25.5(2) At the discretion of the department, on-site audits may be conducted to determine eligibility.

481—25.6(10A) Family-owned business. Businesses which are owned and operated by one or more members of the same family will be closely scrutinized to determine whether the targeted group person identified as the owner of 51 percent or more of the business does in fact set policy and make day-to-day and long-term decisions for the operation and management of the business.

25.6(1) Any characteristic listed below may be cause to deny targeted small business status. This list is not to be construed as complete.

a. If a nontargeted group person family member:

(1) Is chief executive officer or president;

(2) Provides the expertise to conduct the business;

(3) Transfers ownership to the targeted group person owner for less than fair market value;

(4) Receives compensation equal to or greater than the targeted group person owner, not commensurate with their ownership;

(5) Provides occupational services for the business for less than fair market value;

(6) Possesses powers equal to or greater than the targeted group person owner to direct management and operations.

b. If the targeted group person owner:

(1) Is represented to those outside the business as not possessing the final authority to direct the operations and management of the business;

(2) Cannot document the date upon which the nontargeted group person family member was hired.

c. A recent transfer of ownership by a nontargeted group person family member to a targeted group person will be reviewed to determine if the previous owner is still the principal decision maker on

policy or actually manages the existing business. Transfers in the past two years are considered recent, and these businesses shall not be certified, unless evidence substantiating the transfer is received and approved.

If any of the above circumstances prevail, the business shall be considered a family-owned business. Nontargeted group person family-owned businesses are not eligible for certification as targeted small businesses in Iowa.

25.6(2) If a lending institution requires a signature other than the TSB owner's, another person may sign. When this happens, the owner must have the experience and expertise to own and operate the business. If a nontargeted group person family member has the expertise and has cosigned for business loans, the business is not eligible.

481—25.7(10A) Cottage industry. A cottage industry may be eligible for certification as a TSB. Characteristics of these businesses include, but are not limited to:

1. At least 51 percent of business equipment shall be owned by targeted group persons.
2. Business risks and profits shall be borne by the targeted group person owner(s) proportionate to their ownership.

The intent of targeting some small businesses is to identify those businesses which have been traditionally excluded from economic growth. Therefore, the following exception is made for cottage industries:

EXCEPTION: The residence and any adjacent outbuildings used by the cottage industry may be owned jointly with other family members.

All other TSB eligibility standards apply.

481—25.8(10A) Decertification. A business shall be decertified by the department if it is determined the business no longer complies with the requirements of the TSB program or its owners cannot be located by the department.

25.8(1) Written notice of the intent to revoke certification shall be provided when the department determines there is reasonable cause to believe a business does not comply. Notice shall be sent by United States mail at least 20 days before decertification is effective.

25.8(2) If the department sends a letter by first-class mail to the last-known address provided to the department by the TSB and it is returned as undeliverable, this is considered to be grounds for decertification.

25.8(3) Decertification procedures may be initiated by the department or after the investigation of a complaint filed by the general public. A request for an investigation from the public must be written and shall specify the reason(s) why the certified targeted small business no longer complies with these rules. Supporting documentation may be attached to the request. The identity of a complainant is confidential pursuant to Iowa Code section 22.7(18).

25.8(4) Eligibility to participate in the TSB program continues until the final decision is issued by the department.

481—25.9(12) Request for bond waiver. A targeted small business seeking a performance, surety, or bid bond waiver shall submit a sworn statement that it is unable to secure a performance, surety, or bid bond because of lack of experience, lack of net worth, or lack of capital.

Documentation will be requested from surety companies that the TSB is unable to obtain performance, surety, or bid bonding because of the lack of experience, lack of net worth, or lack of capital.

25.9(1) A waiver shall be applied only to a prime contract where the project or individual transaction does not exceed \$50,000, notwithstanding Iowa Code section 573.2.

25.9(2) Granting a waiver shall not relieve any business from its contractual obligations. The state agency or department may pursue any remedy under law upon default or breach of contract.

25.9(3) The department reviews all bond waiver documents. Information to assist the review process may be requested from the state department or agency involved.

An applicant for a performance, surety, or bid bond waiver and the department or agency involved will be notified of the decision by United States mail.

25.9(4) Bond waivers will be reviewed and renewed at the time of TSB recertification.

481—25.10(714) Fraudulent practices in connection with targeted small business programs. A violation under this rule is grounds for decertification of the TSB connected with the violation. Decertification shall be in addition to any penalty otherwise authorized by this chapter.

A person is considered to be guilty of a fraudulent practice if the person:

1. Knowingly transfers or assigns assets, ownership, or equitable interest in property of a business to a targeted group person primarily for the purpose of obtaining benefits under TSB programs if the transferor would otherwise not be qualified for such programs.

2. Solicits and is awarded a state contract on behalf of a TSB for the purpose of transferring the contract to another for a percentage if the person transferring or intending to transfer the work had no intention of performing the work.

3. Knowingly falsifies information on an application for the purpose of obtaining benefits under TSB programs.

The department may investigate allegations or complaints of fraudulent practices and will take action to decertify a TSB upon concluding that a violation has occurred. A decertification by this action may be appealed.

481—25.11(17A) Appeal procedure. Department decisions regarding targeted small businesses may be contested by an adversely affected party. Requests for a hearing must be made in writing to the department within 30 days of mailing or serving a decision. Appeals and hearings are controlled by 481—Chapter 10, “Contested Case Hearings,” Iowa Administrative Code.

25.11(1) The proposed decision of the administrative law judge becomes final ten days after it is mailed.

25.11(2) Any request for administrative review of a proposed decision must:

- a. Be made in writing;
- b. Be filed with the director within ten days after the proposed decision was mailed to the aggrieved party; and
- c. State the reason(s) for the request.

Date of receipt by personal service or the postmarked date is the time of filing.

25.11(3) The decision of the director shall be based upon the record and become final agency action upon mailing.

These rules are intended to implement Iowa Code sections 10A.104, 10A.105, 12.44, 15.102(5), 17A.3, 17A.12, 73.15 to 73.21, and 714.8.

[Filed emergency 12/19/86—published 1/14/87, effective 12/19/86]

[Filed 6/12/87, Notice 12/31/86—published 7/1/87, effective 8/5/87]

[Filed 5/27/88, Notice 3/23/88—published 6/15/88, effective 7/20/88]

[Filed emergency 7/22/88—published 8/10/88, effective 7/22/88]

[Filed emergency 10/14/88 after Notice 9/7/88—published 11/2/88, effective 10/14/88]

[Filed 9/29/89, Notice 8/9/89—published 10/18/89, effective 11/22/89]

[Filed emergency 8/30/90—published 9/19/90, effective 8/30/90]

[Filed 10/26/90, Notice 9/19/90—published 11/14/90, effective 12/19/90]

[Filed emergency 5/21/91—published 6/12/91, effective 5/24/91]

[Filed emergency 7/1/92—published 7/22/92, effective 7/1/92]

[Filed emergency 12/14/94—published 1/4/95, effective 12/14/94]

[Filed 3/31/95, Notices 1/4/95, 2/1/95—published 4/26/95, effective 5/31/95]

[Filed 12/19/01, Notice 11/14/01—published 1/9/02, effective 2/13/02]

[Filed emergency 6/27/07—published 7/18/07, effective 6/27/07]

[Filed ARC 2221C (Notice ARC 2122C, IAB 9/2/15), IAB 10/28/15, effective 12/2/15]

CHAPTER 14
FLOOD MITIGATION PROGRAM

605—14.1(418) Purpose. In accordance with Iowa Code section 418.7, the flood mitigation board establishes the policies and procedures for the creation and administration of an Iowa flood mitigation program.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.2(418) Definitions.

“*Board*” means the flood mitigation board as created in Iowa Code section 418.5.

“*Department*” means the department of homeland security and emergency management.

“*Director*” means the director of the department of homeland security and emergency management.

“*Governmental entity*” means any of the following:

1. A county.
2. A city.
3. A joint board or other legal or administrative entity established or designated in an agreement pursuant to Iowa Code chapter 28E or 28F between any of the following:
 - Two or more cities located in whole or in part within the same county.
 - A county and one or more cities that are located in whole or in part within the county.
 - A county, one or more cities that are located in whole or in part within the county, and a drainage district formed by mutual agreement under Iowa Code section 468.142 located in whole or in part within the county.
 - One or more counties, one or more cities that are located in whole or in part within those counties, and one or more sanitary districts established under Iowa Code chapter 358 or a combined water and sanitary district as provided for in Iowa Code sections 357.1B and 358.1B, located in whole or in part within those counties.

“*Project*” means the construction and reconstruction of levees, embankments, impounding reservoirs, conduits or other means that are necessary for the protection of property from the effects of floodwaters and may include the deepening, widening, alteration, change, diversion, or other improvement of watercourses if necessary for the protection of such property from the effects of floodwaters. A project may consist of one or more phases of construction or reconstruction that are contracted for separately if the larger project, of which the project is a part, otherwise meets the requirements of Iowa Code section 418.4.

“*Sales tax*” means the sales and services tax imposed pursuant to Iowa Code section 423.2.

[ARC 1114C, IAB 10/16/13, effective 11/20/13; ARC 2220C, IAB 10/28/15, effective 12/2/15]

605—14.3(418) Flood mitigation board.

14.3(1) The flood mitigation board is established and housed, for administrative purposes, within the department. The director shall provide office space, staff assistance, supplies and equipment, and budget funds to pay the necessary expenses of the board.

14.3(2) The board shall be comprised of nine voting members and five ex-officio nonvoting members.

a. The voting members shall include all of the following:

(1) Four members of the general public appointed by the governor and confirmed by the senate in accordance with Iowa Code sections 69.16 and 69.16A. These members shall be appointed to three-year staggered terms, and the terms shall commence and end as provided in Iowa Code section 69.19.

1. Two members of the general public shall have demonstrable experience or expertise in the field of natural disaster recovery.

2. Two members of the general public shall have demonstrable experience or expertise in the field of flood mitigation.

(2) The director of the department of natural resources or the director’s designee.

(3) The secretary of agriculture or the secretary’s designee.

(4) The director of the department or the director’s designee.

- (5) The treasurer of state or the treasurer's designee.
 - (6) The executive director of the Iowa finance authority or the executive director's designee.
 - b. The ex-officio nonvoting members shall include the following:
 - (1) A member of the general assembly appointed by the majority leader of the senate.
 - (2) A member of the general assembly appointed by the minority leader of the senate.
 - (3) A member of the general assembly appointed by the speaker of the house of representatives.
 - (4) A member of the general assembly appointed by the minority leader of the house of representatives.
 - (5) The director of the department of revenue or the director's designee.
- 14.3(3)** The governor shall designate a chairperson and vice chairperson from the voting members.
- 14.3(4)** The board shall meet at a time and place determined by the board. Additional meetings may be called by:
- a. The chairperson,
 - b. The vice chairperson, or
 - c. The director.

14.3(5) All meetings of the board are public meetings and shall be conducted in accordance with Iowa Code chapter 21. A majority of the voting members constitutes a quorum.
[ARC 1114C, IAB 10/16/13, effective 11/20/13; ARC 2220C, IAB 10/28/15, effective 12/2/15]

605—14.4(418) Flood mitigation project eligibility.

14.4(1) An eligible applicant is a governmental entity as defined in rule 605—14.2(418).

14.4(2) Eligible project types include construction and reconstruction of levees, embankments, impounding reservoirs, conduits, or other means that are necessary for the protection of property from the effects of floodwaters and may include the deepening, widening, alteration, change, diversion, or other improvement of watercourses if necessary for the protection of such property from the effects of floodwaters. A project may consist of one or more phases of construction or reconstruction that are contracted for separately if the larger project, of which the project is a part, otherwise meets the requirements of this subrule.

14.4(3) For the project to be eligible for flood mitigation funding from the sales tax increment fund, the project, or an earlier phase of the project, is required to have been approved to receive federal financial assistance under the Water Resources Development Act (WRDA), the Environmental Protection Agency (EPA), or other federal programs providing assistance specifically for hazard mitigation. Prior to submission of an application, a governmental entity shall request a report from the Iowa department of revenue that provides recent historical data on sales tax revenue and trends in sales tax revenue growth. If a project is eligible for state financial assistance under Iowa Code section 29C.6(17), such project is ineligible for flood mitigation funding under this chapter. The federal award must be in an amount equal to at least 20 percent of the total project cost or \$30 million, whichever is less.

14.4(4) For the project to be eligible for flood mitigation funding from the flood mitigation fund or sales tax increment fund, the governmental entity shall provide a local match of at least 50 percent of the total cost of the project less any federal financial assistance. The sales tax increment shall fund a maximum of 50 percent of the total project cost. The federal share of the total project cost shall be a minimum of 20 percent of the total project cost or \$30 million, whichever is less. The local match, when combined with the federal share, shall fund a minimum of 50 percent of the total project cost. The governmental entity shall provide funding for the local match.

14.4(5) The project must result in nonpublic investment in the governmental entity's area, as defined in Iowa Code section 418.11(3), of an amount equal to 50 percent of the total cost of the project. For purposes of this subrule, "nonpublic investment" means investment by nonpublic entities consisting of capital investment or infrastructure improvements occurring in anticipation of or as a result of the project during the period of time between July 1, 2008, and ten years after the board approves the project.

14.4(6) A governmental entity shall not seek approval from the board for a project if the governmental entity previously had a board-approved project or if the governmental entity was part of a governmental entity as defined in rule 605—14.2(418) that had a board-approved project.
[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.5(418) Applications.

14.5(1) The board shall prescribe the form of the application, instructions and associated documents. Applications, instructions, programmatic guidance and forms are available through the department and its Web site, www.homelandsecurity.iowa.gov.

14.5(2) A governmental entity shall submit an application to the board for approval of a project plan prior to January 1, 2016.

14.5(3) The application shall specify whether the governmental entity is requesting financial assistance from the flood mitigation fund or approval for the use of sales tax revenues. Applications for financial assistance from the flood mitigation fund shall describe the type and amount of assistance requested. Applications for the use of sales tax revenues shall state the amount of sales tax revenues necessary for completion of the project and shall contain a report from the Iowa department of revenue, as requested by the governmental entity, that provides recent historical data on sales tax revenue and trends in sales tax revenue growth.

14.5(4) Each application shall include or have attached to the application the governmental entity's project plan adopted under Iowa Code section 418.4(2). The application package shall include all of the following:

- a. The project plan that includes:
 - (1) A detailed description of the project, including all phases of construction or reconstruction included in the project, maintenance plans for the completed project, the estimated cost of the project, and the maximum amount of debt to be incurred for purposes of funding the project; and
 - (2) A detailed description of all anticipated funding sources for the project, including information relating to either the proposed use of financial assistance from the flood mitigation fund or the proposed use of sales tax increment revenues.
- b. A copy of the application for federal funds and subsequent approval letter as specified under Iowa Code section 418.4(3)“b.”
- c. A detailed budget.
- d. A statement about whether the project is designed to mitigate future flooding of existing property and infrastructure that have sustained significant flood damage and are likely to sustain significant flood damage in the future. Detailed information on the existing property and infrastructure shall be included.
- e. A statement about whether the project plan addresses the impact of flooding both upstream and downstream from the area where the project is to be undertaken and whether the project conforms to any applicable floodplain ordinance.
- f. A statement about whether the area that would benefit from the project's flood mitigation efforts is sufficiently valuable to the economic viability of the state or is of sufficient historic value to the state to justify the cost of the project.
- g. A statement about the extent to which the project would utilize local matching funds. The board shall not approve a project unless at least 50 percent of the total cost of the project, less any federal financial assistance for the project, is funded using local matching funds, and unless the project will result in nonpublic investment in the governmental entity's area, as defined in Iowa Code section 418.11(3), of an amount equal to 50 percent of the total cost of the project. For purposes of this paragraph, “nonpublic investment” means investment by nonpublic entities consisting of capital investment or infrastructure improvements occurring in anticipation of or as a result of the project during the period of time between July 1, 2008, and ten years after the board approves the project.
- h. A statement about the extent of nonfinancial support committed to the project from public and nonpublic sources.

i. A statement about whether the project is designed in coordination with other watershed management measures adopted by the governmental entity or adopted by the participating jurisdictions of the governmental entity, as applicable.

j. A statement about whether the project plan is consistent with the applicable comprehensive, countywide emergency operations plan in effect and other applicable local hazard mitigation plans.

k. A statement about whether financial assistance through the flood mitigation program is essential to meet the necessary expenses or serious needs of the governmental entity related to flood mitigation.

l. Any other documents requested by the board to assist the board in the consideration of the application.

m. If the governmental entity intends to issue bonds in accordance with Iowa Code section 418.14, the governmental entity shall provide information from the proposed bonding company as to the viability of the bond issuance.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.6(418) Flood mitigation fund.

14.6(1) A flood mitigation fund is created as a separate and distinct fund in the state treasury under the control of the board and consists of money appropriated by the general assembly and any other moneys available to and obtained or accepted by the board for placement in the fund. Payments of interest, repayments of moneys loaned, and recaptures of grants provided by the board shall be deposited in the fund.

14.6(2) Moneys in the fund shall be used by the board to provide financial assistance in accordance with this chapter to a governmental entity in the form of grants, loans and forgivable loans. The board shall specify the terms of any grants or loans made from the fund. The board may make a multiyear commitment to a governmental entity of up to \$4 million in any one fiscal year.

14.6(3) Moneys received by a governmental entity from the fund shall be deposited in the governmental entity's flood project fund as created in rule 605—14.8(418).

14.6(4) If any portion of the moneys appropriated to the fund have not been awarded during the fiscal year in which they were appropriated, the portion which has not been awarded may be utilized by the board to provide financial assistance in subsequent fiscal years.

14.6(5) Following completion of all projects approved to utilize financial assistance from the fund and upon determination by the board that the remaining funds are no longer needed for the program, the funds that were appropriated by the general assembly shall be credited to the general fund of the state. Other funds shall be credited to the granting agency in accordance with any grant agreements.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.7(418) Sales tax increment calculation and sales tax increment fund. The calculation of the sales tax increment and operation of the fund is addressed in Iowa department of revenue 701—Chapter 238.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.8(418) Flood project fund.

14.8(1) Each governmental entity that has a project approved by the board and is awarded funds from either the flood mitigation fund or sales tax increment fund shall create a separate flood project fund. The fund shall be used to pay the costs associated with the governmental entity's approved project and to pay the principal and interest on bonds issued pursuant to Iowa Code section 418.14.

14.8(2) The governmental entity may deposit any other moneys lawfully received into the fund. Other moneys include but are not limited to local sales and services tax receipts collected under Iowa Code chapter 423B.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.9(418) Board application review.

14.9(1) The board shall not approve a project for inclusion in the program if the application is received after January 1, 2016.

14.9(2) The board may request an independent engineering review of the project to determine the technical feasibility, engineering standards, and total estimated cost of the project. Such review may be completed by the United States Army Corps of Engineers. All costs related to the review shall be the responsibility of the governmental entity.

14.9(3) The board shall not approve any project plan that includes financial assistance pursuant to this chapter that would be used to pay principal and interest on or refinance any debt or other obligation existing prior to the approval of the project.

14.9(4) The board shall not approve a project plan application for which the amount of sales tax increment revenue remitted to the governmental entity would exceed \$15 million in any one fiscal year or if approval of the project would result in total remittances in any one fiscal year for all approved projects to exceed, in the aggregate, \$30 million.

14.9(5) The board may contract with or otherwise consult with the Iowa flood center, established in Iowa Code section 466C.1, to assist in administering the flood mitigation program and review of applications.

14.9(6) The board, after consulting with the economic development authority, shall approve, defer, or deny the applications.

14.9(7) If the application is denied, the board shall state the reasons for the denial. The governmental entity may resubmit the application for consideration anytime prior to January 1, 2016.

14.9(8) If the application is approved, the board shall specify whether the governmental entity is approved for use of the sales tax revenues under Iowa Code section 418.12 or whether the governmental entity is approved to receive financial assistance from the flood mitigation fund under Iowa Code section 418.10.

14.9(9) If the board approves an application that includes the use of sales tax increment revenues, the board shall establish the annual maximum amount of such revenues that may be remitted to the governmental entity not to exceed \$15 million or 70 percent of the total yearly amount of increased sales tax revenue in the governmental entity's applicable area and deposited in the governmental entity's account, whichever is less. The board may, however, establish remittance limitations for the project lower than those specified in this subrule.

14.9(10) If the board approves an application that includes financial assistance from the flood mitigation fund, the board shall negotiate and execute on behalf of the department all necessary agreements to provide such financial assistance.

14.9(11) Upon approval of an application for financial assistance under the program, the board shall notify the treasurer of state regarding the amount of moneys needed to satisfy the award of financial assistance and the terms of the award.

14.9(12) If, following approval of an application, it is determined that the amount of federal financial assistance exceeds the amount of federal financial assistance specified in the application, the board shall reduce the award of financial assistance from the flood mitigation fund or reduce the amount of sales tax revenue to be received for the project by a corresponding amount.

14.9(13) Following the approval of an application which proposes to use sales tax increment revenues, the governmental entity shall adopt a resolution authorizing the use of sales tax increment from the governmental entity's flood project fund. Within ten days of adoption, the governmental entity shall provide a copy of the resolution to the Iowa department of revenue.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.10(418) Reports.

14.10(1) Following the approval of a project application, the governmental entity shall, on or before December 15 of each year, submit a report to the board detailing the following:

- a.* The current status of the project.
- b.* The total expenditures and types of expenditures that have been made related to the project.
- c.* The amount of total project cost remaining as of the date the report is submitted.
- d.* The amounts, types, and sources of funding being used.

e. The amount of bonds issued or other indebtedness incurred for the project, including information related to the rate of interest, length of term, cost of issuance, and net proceeds. This report shall also include the amounts and types of moneys used for payment of such bonds or indebtedness.

14.10(2) The board shall submit a written report to the governor and the general assembly on or before January 15 of each year. The report shall contain information relating to all projects that have been approved by the board and contain summaries of the individual project reports required by this chapter. The board shall also convey in the report any recommendations for legislative action to modify this chapter.

14.10(3) The treasurer of state shall report to the department any moneys that are disbursed to a recipient of financial assistance under the program.

14.10(4) Any governmental entity that receives assistance in the form of sales tax revenues under the program shall provide to the board all reports that are required as part of receiving federal financial assistance.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

605—14.11(418) Flood project bonds. A governmental entity receiving sales tax revenues in accordance with this chapter is authorized to issue bonds that are payable from revenues deposited in the flood project fund created in rule 605—14.8(418). Issuance and administration of such bonds shall be done in accordance with Iowa Code sections 418.14 and 384.83.

[ARC 1114C, IAB 10/16/13, effective 11/20/13]

These rules are intended to implement Iowa Code chapter 418.

[Filed ARC 1114C (Notice ARC 0956C, IAB 8/21/13), IAB 10/16/13, effective 11/20/13]

[Filed ARC 2220C (Notice ARC 2119C, IAB 9/2/15), IAB 10/28/15, effective 12/2/15]

NURSING BOARD[655]

[Prior to 8/26/87, see Nursing, Board of[590], renamed Nursing Board[655]
under the "umbrella" of Public Health Department by 1986 Iowa Acts, ch 1245]

**CHAPTER 1
ADMINISTRATIVE AND REGULATORY
AUTHORITY**

- 1.1(17A,147,152) Definitions for purposes of nursing board
- 1.2(17A,147,152) Severability
- 1.3(17A,147,152) Description and organization of the board
- 1.4(147,152,272C) Newsletter

**CHAPTER 2
NURSING EDUCATION PROGRAMS**

- 2.1(152) Definitions
- 2.2(152) Application for interim approval of a nursing program
- 2.3(152) Approval and reapproval procedures
- 2.4(152) Provisional approval
- 2.5(152) Closure of an approved program
- 2.6(152) Organization and administration of the program
- 2.7(152) Resources of the controlling institution
- 2.8(152) Curriculum
- 2.9(152) Faculty
- 2.10(152) Program responsibilities
- 2.11(152) Student criminal history checks
- 2.12(152) Clinical facilities
- 2.13(152) Preceptorship
- 2.14(152) Results of graduates who take the licensure examination for the first time
- 2.15(152) Reports to the board

**CHAPTER 3
LICENSURE TO PRACTICE—REGISTERED NURSE/LICENSED PRACTICAL NURSE**

- 3.1(17A,147,152,272C) Definitions
- 3.2(17A,147,152,272C) Mandatory licensure
- 3.3(17A,147,152,272C) Licensure qualifications for registered nurse and licensed practical nurse
- 3.4(17A,147,152,272C) Licensure by examination
- 3.5(17A,147,152,272C) Licensure by endorsement
- 3.6(17A,147,152,272C) Special licensure for those licensed in another country
- 3.7(17A,147,152,272C) License cycle
- 3.8(17A,147,152,272C) Verification
- 3.9(17A,272C) License denial

**CHAPTER 4
DISCIPLINE**

- 4.1(17A,147,152,272C) Board authority
- 4.2(17A,147,152,272C) Complaints and investigations
- 4.3(17A,147,152,272C) Issuance of investigatory subpoenas
- 4.4(17A,147,152,272C) Board action
- 4.5(17A,147,152,272C) Peer review committee
- 4.6(17A,147,152,272C) Grounds for discipline
- 4.7(17A,147,152,272C) Sanctions
- 4.8(17A,147,152,272C) Panel of specialists
- 4.9(17A,147,152,272C) Informal settlement
- 4.10(17A,147,152,272C) Voluntary surrender

- 4.11(17A,147,152,272C) Application for reinstatement
- 4.12(17A,147,152,272C) Licensee review committee
- 4.13(17A,147,152,272C) Contested case proceedings
- 4.14(17A,152E) Definitions
- 4.15(17A) Time requirements
- 4.16(17A) Notice of hearing
- 4.17(17A) Presiding officer
- 4.18(17A) Waiver of procedures
- 4.19(17A) Telephone proceedings
- 4.20(17A) Disqualification
- 4.21(17A) Consolidation—severance
- 4.22(17A) Pleadings
- 4.23(17A) Service and filing of pleadings and other papers
- 4.24(17A) Discovery
- 4.25(17A,272C) Issuance of subpoenas in a contested case
- 4.26(17A) Motions
- 4.27(17A) Prehearing conference
- 4.28(17A) Continuances
- 4.29(17A) Hearing procedures
- 4.30(17A) Evidence
- 4.31(17A) Default
- 4.32(17A) Ex parte communication
- 4.33(17A) Recording costs
- 4.34(17A) Final decision
- 4.35(17A) Appeals
- 4.36(17A) Applications for rehearing
- 4.37(17A) No factual dispute contested cases
- 4.38(17A) Emergency adjudicative proceedings

CHAPTER 5 CONTINUING EDUCATION

- 5.1(152) Definitions
- 5.2(152) Continuing education — licensees
- 5.3(152) Continuing education — providers

CHAPTER 6 NURSING PRACTICE FOR REGISTERED NURSES/LICENSED PRACTICAL NURSES

- 6.1(152) Definitions
- 6.2(152) Minimum standards of nursing practice for registered nurses
- 6.3(152) Minimum standards of practice for licensed practical nurses
- 6.4(152) Additional acts which may be performed by registered nurses
- 6.5(152) Additional acts which may be performed by licensed practical nurses
- 6.6(152) Specific nursing practice for licensed practical nurses
- 6.7(152) Specific nursing practice for registered nurses

CHAPTER 7 ADVANCED REGISTERED NURSE PRACTITIONERS

- 7.1(152) Definitions
- 7.2(152) General requirements for the advanced registered nurse practitioner

CHAPTER 8
PETITIONS FOR RULE MAKING
(Uniform Rules)

- 8.1(17A) Petition for rule making
- 8.3(17A) Inquiries

CHAPTER 9
DECLARATORY ORDERS
(Uniform Rules)

- 9.1(17A) Petition for declaratory order
- 9.2(17A) Notice of petition
- 9.3(17A) Intervention
- 9.4(17A) Briefs
- 9.5(17A) Inquiries
- 9.6(17A) Service and filing of petitions and other papers
- 9.7(17A) Consideration
- 9.8(17A) Action on petition
- 9.9(17A) Refusal to issue order
- 9.12(17A) Effect of a declaratory order

CHAPTER 10
AGENCY PROCEDURE FOR RULE MAKING
(Uniform Rules)

- 10.3(17A) Public rule-making docket
- 10.4(17A) Notice of proposed rule making
- 10.5(17A) Public participation
- 10.6(17A) Regulatory analysis
- 10.10(17A) Exemptions from public rule-making procedures
- 10.11(17A) Concise statement of reasons
- 10.12(17A) Contents, style, and form of rule
- 10.13(17A) Agency rule-making record

CHAPTER 11
EXAMINATION OF PUBLIC RECORDS

- 11.1(17A,22,147,152,272C) Definitions
- 11.2(17A,22,147,152,272C) Public information and inspection of records
- 11.3(17A,22,147,152,272C) Personally identifiable information
- 11.4(17A,22,147,152,272C) Notice to suppliers of information
- 11.5(17A,22,147,152,272C) Rosters

CHAPTER 12
REGISTERED NURSE CERTIFYING ORGANIZATIONS/
UTILIZATION AND COST CONTROL REVIEW

- 12.1(509,514,514B,514F) Purpose
- 12.2(509,514,514B,514F) Definition
- 12.3(509,514,514B) National certifying organizations
- 12.4(514F) Utilization and cost control review (U.C.C.R.) committee
- 12.5(514F) Selection and composition of the U.C.C.R. committee
- 12.6(514F) Scope of review
- 12.7(514F) Procedures for utilization and cost control review

CHAPTER 13
DISCIPLINARY HEARING COSTS

- 13.1(152,272C) Disciplinary hearings—fees and costs

CHAPTER 14
FAIR INFORMATION PRACTICES
(Uniform Rules)

- 14.1(17A,22) Definitions
14.3(17A,22) Requests for access to records
14.6(17A,22) Procedure by which additions, dissents, or objections may be entered into certain records
14.7(17A,22) Consent to disclosure by the subject of a confidential record
14.8(17A,22) Notice to suppliers of information

CHAPTER 15
WAIVER AND VARIANCE RULES

- 15.1(147,ExecOrd8,78GA,ch1176) Definition
15.2(147,ExecOrd8,78GA,ch1176) Scope of chapter
15.3(147,ExecOrd8,78GA,ch1176) Applicability of chapter
15.4(147,ExecOrd8,78GA,ch1176) Criteria for waiver or variance
15.5(147,ExecOrd8,78GA,ch1176) Filing of petition
15.6(147,ExecOrd8,78GA,ch1176) Content of petition
15.7(147,ExecOrd8,78GA,ch1176) Additional information
15.8(147,ExecOrd8,78GA,ch1176) Notice
15.9(147,ExecOrd8,78GA,ch1176) Hearing procedures
15.10(147,ExecOrd8,78GA,ch1176) Ruling
15.11(147,ExecOrd8,78GA,ch1176) Public availability
15.12(147,ExecOrd8,78GA,ch1176) Summary reports
15.13(147,ExecOrd8,78GA,ch1176) Cancellation of a waiver
15.14(147,ExecOrd8,78GA,ch1176) Violations
15.15(147,ExecOrd8,78GA,ch1176) Defense
15.16(147,ExecOrd8,78GA,ch1176) Judicial review

CHAPTER 16
NURSE LICENSURE COMPACT

- 16.1(152E) Definitions
16.2(152E) Issuance of a license by a compact party state
16.3(152E) Limitations on multistate licensure privilege—discipline
16.4(152E) Information system

CHAPTER 17
NONPAYMENT OF CHILD SUPPORT, STUDENT LOAN, OR STATE DEBT

DIVISION I
NONPAYMENT OF CHILD SUPPORT

- 17.1(252J) Definitions
17.2(252J) Denial of issuance or renewal of a license—nonpayment of child support
17.3(252J) Suspension or revocation of a license—nonpayment of child support

DIVISION II
NONPAYMENT OF STUDENT LOAN

- 17.4(261) Definitions
17.5(261) Denial of issuance or renewal of a license—nonpayment of student loan
17.6(261) Suspension or revocation of a license—nonpayment of student loan

DIVISION III
NONPAYMENT OF STATE DEBT

- | | |
|------------|---------------------------------------------------------------------|
| 17.7(272D) | Definitions |
| 17.8(272D) | Denial of issuance or renewal of a license—nonpayment of state debt |
| 17.9(272D) | Suspension or revocation of a license—nonpayment of state debt |

CHAPTER 18
MILITARY SERVICE AND VETERAN RECIPROCITY

- | | |
|-------------------|--------------------------------------------------|
| 18.1(85GA,ch1116) | Definitions |
| 18.2(85GA,ch1116) | Military education, training, and service credit |
| 18.3(85GA,ch1116) | Veteran reciprocity |

CHAPTER 19
IOWA NURSE ASSISTANCE PROGRAM

- | | |
|------------|-----------------------------------------|
| 19.1(272C) | Iowa nurse assistance program committee |
| 19.2(272C) | Definitions |
| 19.3(272C) | Organization of the committee |
| 19.4(272C) | Eligibility |
| 19.5(272C) | Terms of participation |
| 19.6(272C) | Limitations |
| 19.7(272C) | Confidentiality |
| 19.8(28E) | Authority for 28E agreements |

CHAPTER 19
IOWA NURSE ASSISTANCE PROGRAM

655—19.1(272C) Iowa nurse assistance program committee. Pursuant to the authority of Iowa Code section 272C.3(1) “k,” the board establishes the Iowa nurse assistance program committee (INAPC), formerly known as the licensee review committee, to implement the Iowa nurse assistance program (INAP). The purpose of the INAPC is to provide a program to support the evaluation and monitoring of licensees who are impaired as a result of alcohol or drug abuse, dependency, or addiction, or by any mental or physical disorder or disability, while protecting the health, safety and welfare of the public. [ARC 2204C, IAB 10/28/15, effective 12/2/15]

655—19.2(272C) Definitions.

“*Approved treatment provider*” means a licensed health care provider with board-approved expertise in substance use disorder or mental or physical health conditions.

“*Board*” means the Iowa board of nursing.

“*Contract*” means the written document executed by an applicant or licensee and the INAPC after the INAPC receives a report from an approved treatment provider, which establishes the terms for participation in the INAP.

“*Impairment*” means an inability, or significant potential for inability, to practice with reasonable safety and skill as a result of a diagnosed substance use disorder or any diagnosed mental or physical health condition.

“*INAP*” or “*program*” means the Iowa nurse assistance program.

“*INAPC*” or “*committee*” means the Iowa nurse assistance program committee.

“*Initial agreement*” means the written document establishing the initial terms for participation in the INAP.

“*Participant*” means an applicant or licensee who does any of the following: self-reports an impairment to the program, is referred to the program by the board, signs an initial agreement with the committee, or signs a contract with the committee.

“*Referral by the board*” means the board has determined, with or without having taken disciplinary action, that the applicant or licensee is an appropriate candidate for participation in the program.

“*Self-report*” means an applicant or licensee provides written notification to the committee that the applicant or licensee has been, is, or may be impaired. Information related to impairment or a potential impairment which is provided on a license application or renewal form may be considered a self-report. [ARC 2204C, IAB 10/28/15, effective 12/2/15]

655—19.3(272C) Organization of the committee. The board shall appoint the members of the INAPC.

19.3(1) Membership. The membership of the INAPC includes, but is not limited to:

- a. The executive director of the board or the director’s designee from the board’s staff;
- b. One board of nursing licensee who has maintained sobriety for a period of no less than two years following successful completion of a recovery program;
- c. One licensed health care provider with expertise in substance use disorders;
- d. One licensed provider with expertise in mental health; and
- e. One public member.

19.3(2) Officers. At the last meeting of each calendar year, the INAPC shall elect a chairperson and a vice chairperson, each of whom will begin serving a one-year term on January 1.

a. The chairperson is responsible for offering guidance and direction to staff between regularly scheduled committee meetings, including guidance and direction concerning negotiation and execution of initial agreements, contracts, and program descriptions and interim restrictions on practice, on behalf of the committee. The INAPC retains authority to review all interim decisions at its discretion.

b. The vice chairperson is responsible for providing guidance and direction to staff between regularly scheduled committee meetings if the chairperson is unavailable or unable to assist in a particular matter.

19.3(3) Terms. Committee members, except the executive director or designee, shall be appointed for three-year terms and shall serve for a maximum of three terms. Each term shall expire on December 31 of the third year of the term.

[ARC 2204C, IAB 10/28/15, effective 12/2/15]

655—19.4(272C) Eligibility.

19.4(1) Self-report. An applicant or a licensee shall self-report an impairment or potential impairment directly to the program.

19.4(2) Board referral. The board may refer an applicant or licensee to the program if a complaint or investigation reveals an impairment or potential impairment and the board determines that the individual is an appropriate candidate for review by the INAPC. The board may refer a licensee to the program in a public disciplinary order or other public order.

19.4(3) Review by the INAPC. The INAPC will determine on a case-by-case basis whether an applicant or licensee who self-reports or is referred by the board is an appropriate candidate for participation in the program. Several factors may lead to the INAPC's determination that an applicant or licensee is ineligible to participate in the program, including but not limited to if the committee finds sufficient evidence that the applicant or licensee:

- a. Diverted drugs for distribution to third parties or for personal profit;
- b. Adulterated, misbranded, or otherwise tampered with drugs intended for a patient;
- c. Provided inaccurate, misleading, or fraudulent information or failed to fully cooperate with the INAPC;
- d. Participated in the program, or similar programs offered by other states, without success; or
- e. Fails to sign a contract when recommended by the INAPC.

19.4(4) Discretion. Eligibility to participate in the program is at the sole discretion of the INAPC. No person is entitled to participate in the program.

19.4(5) Authority and jurisdiction. Participation in the program does not divest the board of its authority or jurisdiction over the participant. A participant with an impairment or potential impairment may be eligible to participate in the program while being subject to investigation or discipline by the board for matters other than the alleged impairment.

[ARC 2204C, IAB 10/28/15, effective 12/2/15]

655—19.5(272C) Terms of participation. A participant shall agree to comply with the INAP terms of participation established in the initial agreement and contract. Participants will be responsible for all expenses incurred to comply with the terms imposed by the program. Terms of participation specified in the contract shall include, but not be limited to:

19.5(1) Duration. The length of time a participant may participate in the program shall be determined by the INAPC in accordance with the following:

a. Participation in the program for participants impaired as a result of a substance use disorder is set at a minimum of three years. The INAPC may offer a contract with a shorter duration to a participant who can demonstrate successful participation in another state's nurse assistance program, who can document similar experience, or who, as a board referral, has successfully completed a portion of the monitoring period established in the board order.

b. Length of participation in the program for participants with impairments resulting from mental or physical conditions will vary depending upon the recommendations provided by an approved licensed health care professional and the determination of the INAPC following review of all relevant information.

19.5(2) Requirements. The INAPC shall establish terms designed to meet the specific needs of the participant. The committee shall determine the type of recovery, rehabilitation, or maintenance program required to treat the participant's impairment. The contract shall provide a detailed description of the goals of the program, the requirements for successful participation, and the participant's obligations therein. The committee may establish terms specific to a participant's impairment including, but not limited to: treatment, aftercare, worksite monitoring, chemical screening, further evaluations, structured recovery meetings, therapy, and medication management.

19.5(3) Practice restrictions. The INAPC may impose restrictions on the license to practice as a term of the initial agreement or contract until such time as the INAPC receives a report from an approved evaluator and the INAPC determines, based on all relevant information, that the participant is capable of practicing with reasonable skill and safety. As a condition of participation in the program, a licensee is required to agree to restricted practice in accordance with the terms specified in the initial agreement or contract. In the event the licensee refuses to agree to or comply with the practice restrictions, the committee shall refer the licensee to the board for appropriate action.

19.5(4) Noncompliance. Noncompliance is the failure to adhere to the terms of the initial agreement or contract. Participants shall promptly notify the INAPC of any instances of noncompliance, including relapse. Instances of noncompliance shall initially be reviewed by the INAP program coordinator. The INAP program coordinator may refer instances of noncompliance to the INAPC for further review of continued participation in the program. The INAPC may refer instances of noncompliance to the board for possible disciplinary action.

[ARC 2204C, IAB 10/28/15, effective 12/2/15]

655—19.6(272C) Limitations. Participation in the INAP shall not relieve the board of any duties and shall not divest the board of any authority or jurisdiction otherwise provided. A participant who violates a statute or board administrative rule which is unrelated to impairment shall be referred to the board for appropriate action.

[ARC 2204C, IAB 10/28/15, effective 12/2/15]

655—19.7(272C) Confidentiality. Information in the possession of the board or the committee shall be subject to the confidentiality requirements of Iowa Code section 272C.6. Information about participants in the program shall not be disclosed except as provided in this rule.

19.7(1) The INAPC is authorized, pursuant to Iowa Code section 272C.6(4), to communicate information about a current or former INAP participant to the applicable regulatory authorities or impaired licensee programs in the state of Iowa and in any jurisdiction of the United States or foreign nations in which the participant is currently licensed or in which the participant seeks licensure. INAP participants must report their participation to the applicable nurse assistance program or licensing authority in any state in which the participant is currently licensed or in which the participant seeks licensure.

19.7(2) The INAPC is authorized to communicate information about an INAP participant to any person assisting in the participant's treatment, recovery, rehabilitation, monitoring, or maintenance for the duration of the contract.

19.7(3) The INAPC is authorized to communicate information about an INAP participant to the board in the event a participant does not comply with the terms of the contract as set forth in rule 655—19.5(272C). The INAPC may provide the board with a participant's INAP file in the event the participant does not comply with the terms of the contract and the INAPC refers the case to the board for the filing of formal disciplinary charges or other appropriate action. If the board initiates disciplinary action against a licensee for noncompliance with the terms of the contract, the board may include information about a licensee's participation in the INAP in the public disciplinary documents. The INAPC is also authorized to communicate information about a participant to the board in the event the participant is under investigation by the board.

19.7(4) The INAPC is authorized to communicate information about a current or former INAP participant to the board if reliable information held by the INAPC reasonably indicates a significant risk to the public exists. If the board initiates disciplinary action based upon this information, the board may include in the public disciplinary documents information about a licensee's participation if necessary to address impairment issues related to the violations which are the subject of the disciplinary action.

[ARC 2204C, IAB 10/28/15, effective 12/2/15]

655—19.8(28E) Authority for 28E agreements. The INAPC may enter into 28E agreements with other health professional licensing boards to evaluate, assist, and monitor impaired licensees from other health professions who self-report and to report to those professional licensing boards regarding the compliance

of individual licensees. In the event of noncompliance, the licensee may be referred to the appropriate licensing board for appropriate disciplinary action.

[ARC 2204C, IAB 10/28/15, effective 12/2/15]

These rules are intended to implement Iowa Code sections 272C.3(1) “k,” 272C.6(4) and 28E.4.

[Filed ARC 2204C (Notice ARC 2085C, IAB 8/5/15), IAB 10/28/15, effective 12/2/15]